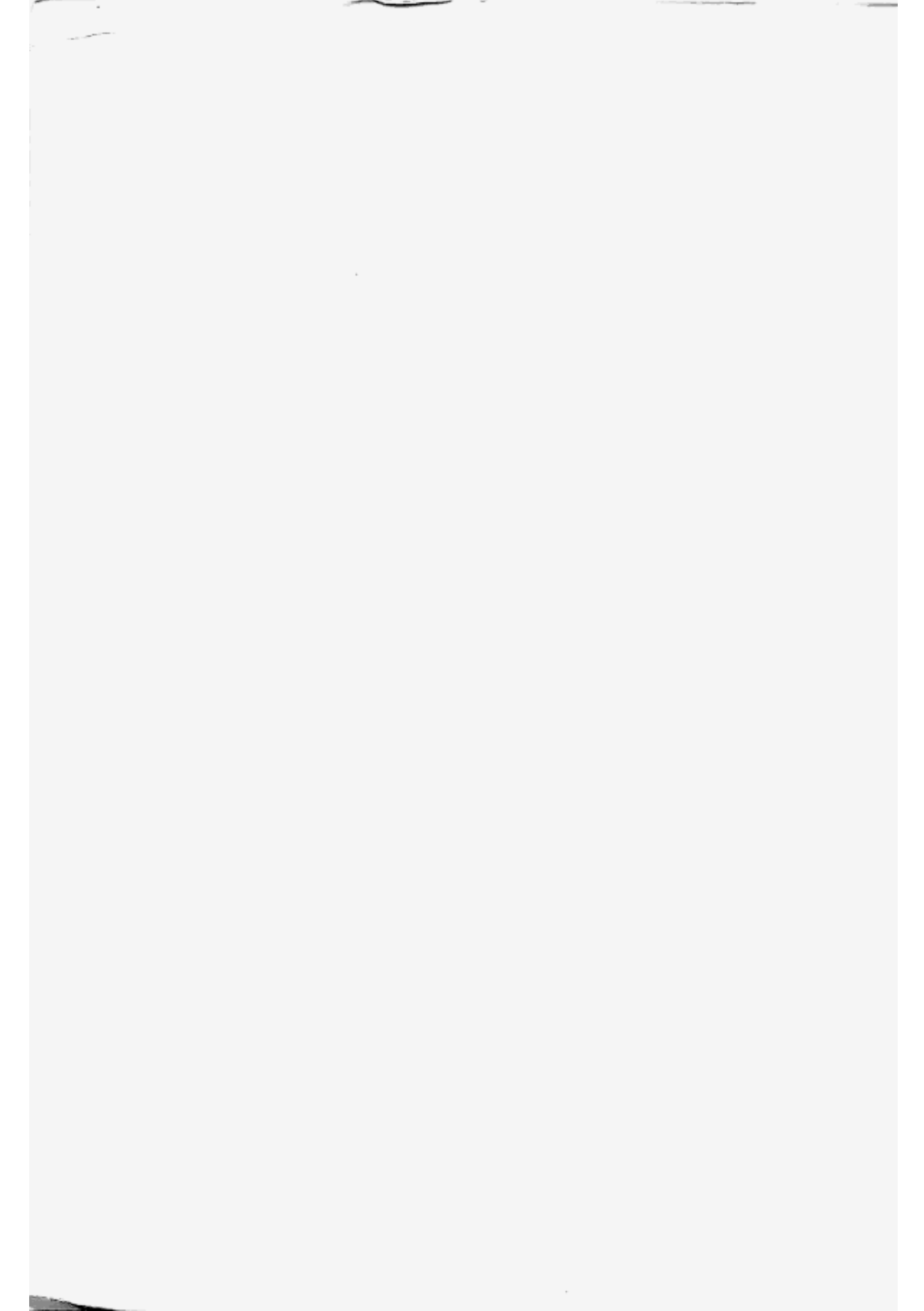
YOUSUF KAMAL

THE PRINCIPLES OF

THE ISLAMIC ECONOMIC SYSTEM

DAR AL NASHR FOR UNIVERSITIES

THE PRINCIPLES OF THE ISLAMIC ECONOMIC SYSTEM

Yousuf Kamal Muhammad

1417 A.H. - 1996 A.D.

DAR AL-NASHR FOR UNIVERSITIES

Contents

Contents

INTRODUCTION

Before going through the subject of this study, *The Principles Of The Islamic Economic System*, it is crucial to follow the traces of economic thought and its methodology employed as a science. In their address to contemporary Islamic revivalism, Western thinkers pave a long way of discussions on research methodology and the tools of knowledge.[1] The roots of epistemic methodology in the Western World are specifically ascribed to renowned philosophers, namely,

- René Descartes, the founder of the inductive method of research, and his French and German successors.
- Francis Bacon, the founder of empirical research and the English school of thought.
- Auguste Comte, the founder of positivism, which states that nothing is considered real and true unless it passed observational tests.

Historians noticed the similarity between Descartes and Bacon in relating philosophy to practical life. In spite of extolling the potencies of the mind, rationalism is a sort of empirical philosophy in its relation to reality.

This epistemology was a revolt against medieval scholars following Aristotle, as led by Toma Alaqwiny, who restricted free thinking and research. Values and abstracts were cast out from the Western reality by the triumph of the secular French Revolution over the Catholic Church. Thus, positivist knowledge became the true knowledge, while normative knowledge cast out as false assumptions, if not superstitions.

To be fair enough, this way of thinking is not applicable to Muslims. Likewise, we had from the start to differentiate

between the two cultures, Western and Islamic, while illustrating our methodology, as manifested in the first chapter.

Among Western thinkers, Volker Nienhaus tried to focus on this epistemological issue through lenses of civilization, searching for the reasons behind the Islamic cultural decline. He raised a number of questions about the internal reasons for the decline and the change of morals. He asked whether the decline was due to a change in morals or that these morals had become rigid and oppressive, or because of the success of new social groups having better values and principles. He pointed that the answer of these questions is not only the task of historians[2] but that Muslims must study the theories of the socio-biological selection to find out the defects which caused the decline of the Islamic World, and to pay attention to prevalent morals and their impact on economic life.[3]

As a matter of fact, empirical science and material progress reached their peak in contemporary life, since it is an ascending human heritage open for those who are indulged in it to seek its fruits. Muslims had carried its banner, then transmitted it to the West who built on and added to it. Nevertheless, today the West admits that the modern development is accompanied with incurable problems because of the absence of warm values and luminous belief which guide and delight the self. Accordingly, it becomes clear that the nature of human self has not changed till the present. People's instincts and desires, values and morals, hopes and aspirations, are all either ascending with faith and beliefs or descending with disbelief, i.e. purification or corruption, ideals and ethics, or selfishness and vice. As a consequence, Western development occurred in materials, while lacking purposes. That's why Islamic values and ordinance are eternal and stable in addressing the constant aspects of human self in all times.

Thus, this book proves, through a calm scientific argument, that Muslim backwardness derives from their being

aloof from their religion. On the other hand, Western progress occurred according to what was borrowed from Islam, while problems stemmed were associated with what was ignored in Islam. This is the subject of chapter two, comparing the principles of the Islamic economic system to other contemporary systems.

Unfortunately, many Western critics consider Islam a mere moral system, ordaining what is forbidden without suggesting what should be done.[4] As a result, its normative model relies on generalities, having no principles to guide and control the ruling system, so Islamic interpretation changes according to the rulers' whims.

In reality, the Islamic law (*sharia*) does not focus much on instincts like love of life and money, since human beings do them spontaneously. Yet, *sharia* explains in details the obligations and the forbidden which both require effort to conform to, enjoining what is right and at the same time forbidding what is wrong.

The Islamic system does not begin with generalities, as some have alleged. While it converges with all religions in the idea that God is the Creator of the world and that man is His obedient vicegerent on earth, committed to generalities of justice, kindness and mercy, Islam differs from other religions; because its Book is not prone to alterations, it is preserved, carrying divine ordinance in details, revealing its unchangeable values and boundaries. Therefore, any attempt of hindrance, perversion, or westernization, without reasoning and application, is a sort of intolerance and bias which confiscate free research and experimentation.

Under such premises, Western criticism appears to be false, when we introduce the principles of Islamic market economics, or the so-called micro-economics. So in chapter three we deal with the nature of the economic problem and its complications in the Western World which sticks to positive

thought and its earthly purposes. This chapter also shows how Islam can solve such a problem with its values and laws to assure the efficiency of **resource allocation**.

There are some reasons for misunderstanding the Islamic economic literature. First, many of the writers do not know the Arabic language and there are no sound translations of old Islamic cultural heritage. Second, the weakness in the applications of Islamic banking is considered by some thinkers as the face of Islam and all what Islamic economics includes. Third, Western judgment of Islam is based on the Muslim reality, rather than the Islamic reality, so they claim that the main weakness in the existing models of macro-economics, based on profit and loss, is due to its lacking of reasonable micro-economics. Thus, they think that not only are there no positive theories which contribute to understanding the real world but also there are no convincing normative theories which can give an idea about how an Islamic system can be applied in reality. Therefore, the models are not only contradicting reality, but they are also not above the level of rational conjecture.[5]

In order to explain how the Islamic system works efficiently, basically through the micro-sector to achieve **just income distribution**, we present two examples, by comparing the Islamic model with that of the West. The first example is presented in chapter four handling personal income distribution, while the second is depicted in chapter five which discusses economic grants.[6]

In this book, we are keen, in discussing Islamic economics, to depend on the original sources of *sharia*, as parallel to up-to-date data of positive thought.

It is well-known that Islam, with its values and laws, is 14 centuries old, during which it produced the best of peoples for mankind, engendering a civilization and sciences on which the Western material progress was established, as admitted by its

scientists. Thus, if it is practically proven that Islamic values and laws are the salvation for contemporary development from an inevitable calamity, after disregarding values and clinging to lewdness and utility, it will be in itself the miracle of the era, which imposes the responsibility of embracing Islam, since as non-Arabs the miracle of linguistics and elocution of Quran did not reach them.

Yousuf Kamal Muhammad

NOTES

1. Volker Nienhaus, "New Opinions in normative economics, Western Methods and The Islamic Perspective," *The Contemporary Muslim*, No. 69-70, year 18, Jan. 1994, pp.151-178. A paper presented to an academic seminar on "The Methodology of Islamic Economic Science," Kano, Nigeria, April 1987.
2. *Ibid.*, p.187.
3. *Ibid.*, p.181.
4. *Ibid.*, p.185.
5. *Ibid.*, p.188. Nienhaus depended on sources of Islamic economics written by those who did not know Arabic language, so they focused on the macro aspect of economics due to their limited knowledge in jurisprudence.
6. The whole study of this subject is published in a book in Arabic language, entitled *Fiqh Iktisad Al-Souq- Al-Nashat Al-Khas* (The Religious Understanding of Market Economics: Private Activities) Dar Al-Nashr Lil Gamiaat Al-Misria, 1995. In this book the author elucidates the principles of Islamic micro-economics (production, value "price", personal distribution). Here, the study is restricted to the illumination of the value aspect of the subject to be understood by non-specialist and specialist as well.

Chapter One
METHODOLOGY

The modern definition of science is: "A branch of study that is concerned with observation and classification of facts."[1] This definition stretches its roots to historical and cultural settings which excludes the unseen and the values.

As an outcome of the scientific vacuum, the intellectual backwardness and the political weakness of the Islamic World, this definition of science is being employed, as a wide-spread ideological pattern, in universities and intellectual research centers in the Islamic World. Impressed by the Western material progress, Muslims copy positive as well as negative Western scientific and practical ways of living, without investigating their origins.

Many of the imported Western incontrovertibles, which we continue to adopt, are today refuted by the West. In a specialized article published in *The New Encyclopedia Britannica* under the subject, "History of Science", the author traces the latest developments reached by researchers in this subject by saying:

> "Until recently, the history of science was a story of success. The triumphs of science represented a cumulative process of increasing knowledge and a sequence of victories over ignorance and superstition; and from science flowed a stream of inventions for the improvement of human life. The recent realization of deep moral problems within science, of external forces and constraints on its development, and of dangers in uncontrolled technological change has challenged historians to a critical reassessment of this earlier simple faith." [2]

The new perception is based on specific facts:

1- It is impossible to materialistically envision the mind and the will. It has been proven that both are abstract facts impervious to the decomposition factors that penetrate the body and brain. This opens the path to believe in the spirit, a definite entity, irrespective of the benefits of all scientific discoveries and applications to the material world.
2- It was scientifically proven that matter, energy, time and place all occurred simultaneously in a certain inception; this scientifically leads to believe in Allah the Creator the Powerful.
3- The properties of matter, starting from the tiniest to the biggest thing in the universe, seem to be appropriate and congruent. Yet, a minimum increase or decrease of the concentration of certain elements or compounds could make life in any case impossible. Thus, this designates the failure of materialistic interpretations, based on coincidence and mechanical necessity. Again, under such circumstance, we are scientifically directed toward the belief in Allah, the Knower the Wise.

Now it is projected that contemporary philosophy will divert away from its desperate thought to recur to our culture, to the belief in the existence of Allah the One and re-affirming the spiritual aspect of human nature.[3]

On the other side of the coin, we see many scientists in our Muslim world engaged in imitation and indulged in a state of mingling the imported with authenticity. Now, it is necessary to rethink the roots of scientific methods. This is an obligation that stems from the revival of the distinctive spirit of the Islamic civilization. Thus, we have to look at the Islamic contributions to human development, in order to overcome spiritual and material human crises suffered by modern civilization.

THE CRISIS OF THE WEST

In order to be aware of the dimensions of modern research methodologies, it is important to review the roots of the crisis which resided in the relation between religion and science in Europe.

Some Western thinkers noted that, 300 years later, scholars of the decline period had emerged, like the great medieval theologists, Toma Alaqwiny and Bonavantoura. They were thinkers lacking authenticity and enlightenment. Their futile approaches dominated the schools and institutes in the late renaissance period. Those who studied in such institutions, e.g. Bacon, Descartes, Hobbes, Lock, and others, complained that scholars were incessantly bickering and submerged in trivial abstracts without solving anything. Their teachings and writings were intently studied giving rise to violent controversies. With their fallacious application of theology to philosophy and natural sciences, they exaggerated in extolling the virtues of Aristotle's sayings which were to a great extent equated to those of the Holy Book.

It was obvious for any proper intellect that a new form of science has to be sought. Such a new model had to oppose the scholarly pretentious philosophy with its sovereign abstracts and supernatural beliefs to focus on the inconvertible, tangible and real, i.e. going to the physical material world. This transformation of thought in conceptualizing the world, from the medieval to the renaissance era, is generally considered as a transformation from spiritualism to materialism.[4]

Charles Frankel summed up the liberal conception of history into four central theses:

> "The first is the belief that human progress can be measured in secular terms, and that a secular morality is sufficient for interpreting human history and for organizing human affairs. The second is the doctrine of "the infinite perfectibility of man." The third is the be-

lief that it is meaningful to speak of such a thing as objective truth in the study of history and human society, and that intelligence and goodwill can rise to a level of impartiality that is not wholly limited by personal idiosyncrasy, social status, or historical position; it is therefore meaningful, this thesis holds to regard progress in social science as an objective possibility, and to expect that such progress might give man increasing power to control his destiny. Finally, there is the belief that a society can be approached in parts, and that it does not have to be understood or remade all of a piece and all at once. It is a belief that a social progress proceeds by deliberately instituted legislative, judicial, and administrative techniques, and by the piecemeal reconstruction of human institutions - and not by spiritual conversions, moral appeals for a change of heart, or the sudden intervention of external powers."[5]

Among the famous pioneers of this methodology were Francis Bacon, founder of empirical research and the English School of thought. Also, the French philosopher Auguste Comte founded *Positivism,* a philosophy which rejects abstract speculation and states that nothing is considered real and true unless it passed observational testing.

Within the framework of Western contemporary thought, Darwin emerged to claim that man is an animal which had evolved from amoebae, in an attempt to illustrate that there is a creation without a creator. Also, we have Freud who explained human behavior stressing on sex as a manipulator of ethics, values and arts. Durkheim replaced the divine will with the public collective will, to determine the moral system according to desires and benefits. Adam Smith considered the economic man as the essence of science away from values and sensations. Finally, Marx came to propose that the machine

and other means of production control the socio-economical and cultural relations.

A famous Western economist, George Soule, described this context as carrying notions which were excessively blooming during the eighteenth century. They were activated by many influences. Cities were growing to bring people together and views were exchanged. Also, the accumulation of wealth and easier travel in a bigger globe broadened horizons. These were beside the development of science, and the hunt for new ways of thought. Preceding the modern age, Soule stated that knowledge of the outside world was acquired through the thoughts of the ancients like Aristotle and the church fathers. It was, therefore, essential to refer to the authorities and to deduce from their literature the explanation of any problem. He further noticed that:

> "Logic-chopping deduction had served instead of careful observation, new insights, experiment... If the old authorities were wrong about the physical universe, were they not wrong also about religion and the codes of human behavior? Everything became subject to question... Explanation of causes and effects in human behavior, desirable or undesirable, was to be sought in laws of nature rather than in the will of God, as expounded by sacred literature or the doctrines of living church. Reason rather than authority to guide ...Medieval doctrine, if not always medieval practices, had been dominated by other-worldliness... Now the emphasis shifted to the improvement of life on earth for its own sake...Those who abandoned belief in God altogether had to find a substitute: they found it in Nature. Those who still adhered to religion- as most did in words-even if not in fact-believed that God, instead of expressing his will directly, was bringing it to pass through the realm of nature and natural law."[6]

Consequently, this methodology produced the following frightening outcome: "A false theory of knowledge, a false moral theory, and an impossible philosophy of history." Here, Frankel touches upon the drawbacks of the theory of knowledge, referring to the well-known study of Professor Maritian. The theory has rejected that people can know any absolute reality; man is the criterion of all things. The outcomes, as in the story, encompass a wide range of modern disasters.

> "From the doctrine that man is the measure of all things, it follows, for example, that moral disagreements are merely matters of taste-a belief that is now epidemic in modern society... Again, if there is no moral design to the universe higher than human interests, it follows that 'man alone, and himself alone, works out his salvation.' So liberal culture lets itself in for an unguarded rationalism. It takes no account of the forces above reason that alone can lift men out of themselves; it offers men the help of no powers greater than their own; it does not tell them how the 'supra-rational' can flow into them, inspiring them and illuminating their lives. And by the same token, it leaves them powerless to deal with the unreason in themselves. For human reason is weak and cold, and is regularly overcome by irrational drives. Unless men can find some light and warmth above reason with which to combat the power of what is below reason, reason itself is condemned to defeat..."

Finally, an 'anthropocentric' philosophy of history has made unimportant the whole scope of human history. Without an eternal outlook external to history, from which we can consider it entirely, there is no use or significance to history in any of its parts. According to Professor Maritain, "it is the simple logic of belief, that has driven modern man to nihilism, and made it impossible for him to commit himself with con-

viction to any deal or to any social cause...The lost, rootless masses of modern society; the restless, unhappy deification of earthly things that besets and distracts the modern world; the hysterical nationalisms; the idolizing of leaders; the fanatic ideologies; the piddling love of gadgetry; the cults of violence - these are all the worth of a philosophy of history which denies the existence of eternal truths. What liberalism has done has been to undermine the foundations of moral authority in the modern world." [7]

Bishop William Laurence pointed out that people are somewhat skeptical about the impact of material wealth on moral behavior. He drew the attention to what had crackled the big fortunes by asking whether on the long run material welfare will lead to moral decomposition? Laurence asserted that history confirms this skepticism. These perceptions were inspired by the downfall of Sodom and Amorite, Rome, Babel, Venice, and the fall of other great empires. He wondered, "Has England started now, in its peak of power and wealth, to cultivate what the whirlwinds will harvest in the future?" He added, "If this justification, based on history, experience and the Bible, is true, this means that Christians threw the Bible and believed in paganish rituals to be directed toward a collapse, much greater than the fall of Rome.[8]

In October 1995, John Paul II, Vatican Pope, was in New York for a speech in the United Nations. To an audience more than 80 thousand people, the pope expressed his worries about contemporary life, a state of "crass materialism and moral decadence." He described the widespread culture as a "culture of death", encouraging abortion, contraception, fetal experimentation and euthanasia. Excessive wealth encompasses many distresses, e.g. the traditional family is being destroyed, the rate of divorce is increasing, the continued gap between the rich and poor is looming. Despite of his fervid anticommunism, John Paul II is not a supporter of unham-

pered capitalism. The pope's plan is to face the "radical individualism" and "spiritual emptiness" of the West by "motivating Christians to bridge the gap between faith and daily life." "Tyrannical" is the term he used to depict the governments fostering laws allowing abortion, euthanasia and embryo experimentation. "Democracy is worthy of that title only if it responds to fundamental ethical values," asserted the Vatican Pope.[9]

In another sphere, there is the view that stresses that a fallacy in the global conceptualizations is much more hazardous than in that of ethereal precepts. Incorrect results within the framework of a certain science is a minor defect, which can be overcome by applying much more firm rules. However, what is extremely dangerous is the incorrectness in the methodology of a science, because it duplicates whenever employed. Also, it is very hard to be reformed. Furthermore, worst of all is the incorrectness in the global outlook which influences the methodology of all sciences.[10]

Hence, researchers have to start their studies, especially social ones, by releasing the research methodology. Empirical methods hinder the progress of science. They tend to adapt the subject to the method instead of molding the method to serve the subject under study. If the materialistic interpretation of abstract facts is impeded, while utilizing an empirical method, the whole subject is considered as speculations for future discoveries. No facts are confronted due to the narrow scope of such method which asserts that knowledge is reached only via matter and its properties.[11]

POSITIVE RESEARCH METHODS

The method refers to the way used to investigate reality sciences. Research methods differ according to the different ces, but can be classified into the following methods:

1- *The Inductive Method*

This method begins with observed facts or phenomena which do not need verification for being agreed upon. They are used to infer certain results. Thus, it is the stage of moving from the general to the particular. It might apply mathematical techniques for testing and validation. For instance, economics takes the observed fact of an economic man as a basis for concluding that the consumer, when satisfying his needs, achieves the greatest amount of pleasure with the least amount of sacrifice. It is not the business of science to look at the means of such fulfillment whether good or evil. As for the producer in the economic activity, he pursues the greatest amount of profit. Again it is not the business of science whether this profit is achieved through exploitation or fairness. Many economic theories, laws, and generalizations were formed to fit these manifestations, on which statistical and analytical techniques were constructed.

2- *The Deductive Method*

This method embraces all means of factual observation, whether by human senses or technical advances. Relying on the consequences of repetitive occurrences, a deductive process is followed. That is to say moving from the particularities to reach a general conclusion, from the particular to the general.

Many economists used this method to formulate economic theories and laws. For example, Malthus' theory of population postulated the inevitable occurrence of famine or epidemic diseases or war. In his observation of the relation between land and population, Ricardo deduced the theory of rent. Marx forecasted the decline of capitalism through his conflict theory. Keynes observed the relation between expenditure and income, to deduce the theory of active demand.

3- *The Comparative Method*

The researcher exploits a scientific method to hypothesize from facts or by observation and testing. Then, he employs inductive logical processes to return to facts once more in order to find out whether his induction is valid or not.

We do not have any objection against these methods. We encourage their use in research. Unless the mind and senses are utilized in knowledge, superstitions and backwardness prevail. Allah motivated us to use our minds and senses to acquire rationality and develop the earth. Allah says:

﴿أفلم يسيروا في الأرض فتكون لهم قلوب يعقلون بها أو آذان يسمعون بها فإنها لاتعمى الأبصار ولكن تعمى القلوب التي في الصدور﴾

﴾Do they not travel through the land, so that their hearts (and minds)* may thus learn wisdom and their ears may thus learn to hear? Truly it is not their eyes that are blind, but their hearts which are in their breasts.﴿[12]

Therefore, the Quranic call is clear to employ the mind and senses in acquiring knowledge, and in natural research, as well as living affairs. Allah says:

﴿ولاتقف ما ليس لك به علم إن السمع والبصر والفؤاد كل أولئك كان عنه مسؤولا﴾

﴾Follow not that whereof thou hast no knowledge.Lo! the hearing, sight and heart - each of these will be asked.﴿[13]

*** The word "heart" in Arabic speech imports both the seat of intelligent faculties and understanding as well as the seat of affection and emotions. Those who reject God's Message may have their physical eyes and ears, but their hearts are blind and deaf. If their faculties of understanding were active, would they not see signs of God's providence and God's wrath in nature around them and in the cities and ruins if they travel intelligently.**

Ensuring the responsibility of senses of hearing and sight as well as the skin, all with the mind will stand as witnesses against man in the Day of Judgment. Allah says:

﴿وما كنتم تستترون أن يشهد عليكم سمعكم ولا أبصاركم ولا جلودكم ولكن ظننتم أن الله لا يعلم كثيرا مما تعملون * وذلكم ظنكم الذى ظننتم بربكم أرداكم فأصبحتم من الخاسرين﴾

﴿Ye did not hide yourselves lest your ears and your eyes and your skins should testify against you, but ye deemed that Allah knew not much of what ye did; That your thought which you did think about your Lord, hath ruined you, and ye find yourselves (this day) among the lost.﴾ [14]

It should be emphasized that in spite of the capabilities of the mind and senses in seeking the knowledge of divine laws in the phenomena of this world, we need other sources of knowledge to be aware of the unseen affairs, which we are absolutely incapable of knowing.

These Issues are:

1. *The Divine Reality*: It is related to be conscious of the absolute perfection of the Allah's Self and His Most Beautiful Names through which He created the universe, set up its systems and managed its affairs. However, studying the traces of Allah in His creation is the mission of the mind and senses which undoubtedly will end up in the belief in Him. There are many things in this world we are knowledgeable of and can relate to without being able to sense, such as the electron in the atom or the galaxies in the cosmos.
2. *The Hereafter Reality*: It indicates the destination, determining the objective and the reward. The mind cannot penetrate the unseen to know the time of the end of this

world, the judgment, heaven and hell. Even with the empirical facilities of the natural sciences, scientists confessed that they were surrounded by imperceptibles. Previously, when they launched their discoveries, they were convinced that they would know everything through science, and control their lives through their human faculties. They lost their understanding of the atom's composition. Their over-examination of matter decreased their knowledge of it, which became limited to superficies. Thus, observational measurements are altered to mathematical equations, dependent on deduction, not observation. Today, man looks at this huge universe. He cannot perceive even the trivial earth on which he walks? if he makes a comparison to himself. What is the earth compared to the sun? What is the sun compared to the stars? What are the stars compared to the galaxies? What are the galaxies compared to the spacious cosmos? Tens of zeros are not enough to identify the number of galaxies. Their directions of motion in the remote horizon cannot be observed by the eye or conceptualized by the mind.

3. *The Legitimacy of Life*: It defines the mission of man. His good deeds ensure strides on the straight path in a huge world which influences man's reality. Time, as it stretches from the past to the present, cannot be cognizant. The understanding of human self is not amenable to the contemporary research methodology.

The nature of issues tackled by the social sciences cannot lend themselves to the empirical methods. This is beside the intervention of human will in the flow of human events - whether it is ethical or not - changing its track to the extent that impedes the implementation of a stable scientific law. Furthermore, being difficult, experiments in humanities are applied in a very narrow and limited sphere which obstructs the use of empirical method as a basis for human research.

The natural sciences, nevertheless, cannot do without empirical methods, since the most apparent research condition in these sciences is objectivity as the researcher is value-free, while the subjects of the social sciences are prone to the impact of the beliefs, values and culture of the researcher. The natural phenomena exist according to one reason or another beside being repetitive in one pattern, whereas human phenomena - whether ethical, psychological or social - are activated by intertwined factors. They might be linked to individual freedom or to the general socio-cultural experience or to environmental implications. All factors are interrelated, overlapped and cannot be listed, but can be separated when studied.[15]

Accordingly, the system of life and legitimacy of man on earth should be appertained to the Creator. He is the One who knows the keys for virtuousness of the world. Surrendering to Allah is a sign of believing and rational thought, as well as a guarantee of security, justice and welfare in life.

These are the realities of faith and surrender (Islam) which Allah revealed to the messengers and prophets, in order to guide people and protect them, from going astray, because of their limited abilities, and from miserable life due to following their lusts.

In economics, the adoption of the positive methods in research showed many defects which were verified by reality. For instance, Malthus' pessimistic speculations proved to be null. Contrary to his suggestion that famine will prevail due to overpopulation in proportion to the natural resources, population multiplied and resources also increased in a higher rate. Claiming that land rent is a surplus value which should not be collected, Ricardo's conjectures caused the socialists' trespassing. Moreover, Marx's determinants of the collapse of capitalism by the hands of socialism not only failed but led to misery. In the third quarter of this century, the emergence of

stagnant inflation accompanied by unemployment falsified Keynes' theory, which solves the unemployment problem by the expansion of effective demand, even through inflation.

Thus, in an insight of positive economics, "the present state of economic study resembles a jungle with an infinite number of cases and sub-cases. Everyone takes up a case of his own, analyzing his own assumptions at will, starting his article or study with some such preface as: 'We write for saving S, for investment I, for rate of interest R, and assume that...Thus we have the following sets of equations.' And these are afterwards analyzed and commented in a scholarly and mathematical way."[16]

THANKS TO MUSLIMS

Scientific progress and material welfare are collective obligations of Muslims, so they sin if they fail to seek them. We are not against Western accomplishments of science and prosperity. Muslim scholars (*ulamas*) assert that industry and innovation are collective obligations, since they are indispensable for the articulation of public interest.[17]

We have shown in the beginning of this chapter how the West today is exposed to severe problems and miseries, and is vulnerable to future disasters and dangers. All resulting from the exclusion of religion from the mundane world, and the belief system from materialistic creativity.

While admitting Western advancement and prosperity, we have to acknowledge the Muslim contribution to modern development. We do not intend to extol the glories of the past without exerting effort for the future, but we aim to prove that the Islamic method was a valid style of material and prosperous progress, as intrinsic in the faith and the belief system. This immunized the Islamic civilization from the vulnerability to catastrophes encountered today by the West. The Islamic civilization persisted for more than a thousand years, whereas

the Western civilization, only a century old, is starting to decline, full of chronic defects, and menaced by complete destruction.

Under the wings of the Islamic civilization, Cordoba was one of the prolific resources of science and knowledge in Europe. The following is a description of the city at that time:

> Cordoba, the capital, was the most cultivated city in Europe, the rival of Constantinople, Baghdad and Cairo. With its population of half a million, its three hundred public baths, its seventy libraries, and its miles of paved streets lit at night, it was bride of countries in advance of the barbarious conditions of contemporary Paris or London, and was the cultural Metropolis for the Christian rulers of the petty states of Northern Spain."[18]

Europe was immersed in ignorance and backwardness. The masses were enslaved by despotic feudalism and superstitions. Muslims, on the contrary, were enjoying freedom, justice and solidarity. Furthermore, many unbiased people in the West relate the Western achievements to Muslims, in the areas of natural sciences, law, social systems and social care, a scientific heritage deserved to be mentioned.

In his article in the *Encyclopedia Britannica,* Jerome Ravetz elucidated how Europe was, almost without science and thought, plunged in the dark ages until the year 1000:

> "The 12th century enjoyed a renaissance brought about partly by contact with the superior Islamic civilization in Spain and Palestine, partly by the development of towns with literate upper classes... Islamic culture is the most relevant to European science... Ironically, the great age of Islam coincided with the low point of culture in Western Europe...by the 10th (century), Arabic was the literate language of nations stretching from Persia to Spain. Arabic con-

querors generally brought peace and prosperity to the countries they settled...The 12th century saw a heroic program of translation of works from Arabic to Latin, at first in astrology and magic, then in medicine, and finally in philosophy and science."[19]

In addition, in "History of Western Philosophy" by Albert Levi, we see how philosophical and scientific translations from the Arabic and Greek references had engraved at that time a stream of knowledge in Western Europe.

"Among the translations from Arabic were some of the writings of Avicenna (980-1037). This Islamic philosopher had an extraordinary impact on the medieval schoolmen. His interpretation of Aristotle's notion of metaphysics were often quoted in, with approval or disapproval, in Christian circles... Also, influential were his psychology, logic, and natural philosophy. *His Qanun fi at-tibb* (Canon of Medicine) was an authority on the subject until modern times."

Moreover, Levi affirms that the Arabic and Greek writings had a direct impact on Oxford University, as

"Its first chancellor, Robert Grosseteste (c.1168-1253)...was deeply interested in scientific method, which he described as both inductive and deductive... Experimentation either verifies or falsifies a theory by testing its empirical consequences...Grosseteste's pupil, Roger Bacon (c.1220-1292), made the mathematical and experimental methods the key to natural science."[20]

THE SCIENTIFIC RESEARCH METHODOLOGY

In summary, the Western predicament is embodied in rejecting the reference to revelation in research methods as a source of knowledge for the invisible, beside the mind and senses for the worldly phenomena. As a consequence, the constants of values and morals were denied in order to focus on the motives for production and profit.

Such kind of denial is a degradation of science and the future of humanity. It is an isolation from the righteousness and an indulgence in aberration. Unfortunately, the new generations of Muslims were brought up following this methodology. They became materialistic in running their research and sensuous in their way of understanding, typically following the practices of precedent religions.
Allah says:

﴿إن يتبعون إلا الظن وما تهوى الأنفس ولقد جاءهم من ربهم الهدى * أم للإنسان ما تمنى * فلله الآخرة والأولى﴾

﴾They follow but a conjecture and that which (they) themselves desire. And now the guidance from their Lord hath come unto them * Or shall man have what he coveth? * But unto Allah belongth the hereafter, and the former.﴿[21]

There is a great disparity between the two methods. In rational and empirical methodology, man communicates with assumptions conceived by the mind and defined by experiments using the limited human senses. Nonetheless, Islamic methodology is established through the use of the mind and senses as integrated with the revelation. Thus, righteousness is recognized according to the Creator who never forgets nor misleads, and due to the Messenger of Allah who never deviated nor tyrannized.

Knowledge is restricted to the fulfillment of instincts, as long as the sources and determinants of values and purposes are limited to senses. Since truth is confined to what is satisfied by desire, therefore, the instinct will set the dimensions of values survived by people. Lust can never guide. Because of the weak human nature, it is uncontrollable. Lust is a want and not an idea, a need and not a philosophy, an excitement and not an estimation. Lust is deficiency looking for compensation, but reality is stable and complete. Under such circumstances, human legislation is biased toward the self, people, race or country. The values of equality and justice enacted are relative, justified according to interests, sometimes underlying injustice and persecution. Allah says:

﴿ومن أضل ممن اتبع هواه بغير هدى من الله﴾

﴿And who goeth farther astray than he who followeth his lust without guidance from Allah.﴾[22]

﴿ولا تطع من أغفلنا قلبه عن ذكرنا واتبع هواه وكان أمره فرطا﴾

﴿And obey not him whose heart We have made heedless of Our remembrance, who followeth his own lust and whose case hath been abandoned.﴾[23]

Although the mind is a great grace, we cannot merely depend on it in knowing the invisible, as it will lead us astray. Moreover, human knowledge cannot be confined to conjecture and supposition. Guessing is incomplete and short of reaching the horizon of the real science, to transcend the present world to reach the horizons of true existence. Allah says:

﴿وما لهم به من علم إن يتبعون إلا الظن، وإن الظن لا يغني من الحق شيئا * فأعرض عمن تولى عن ذكرنا ولم يرد إلا الحياة الدنيا * ذلك مبلغهم من العلم﴾

❨And they have no knowledge thereof. They follow but a guess, and lo! a guess can never take the place of truth * Then withdraw O Muhammad from him who fleeth from Our remembrance and desireth but the life of the world * Such is their sum of knowledge.❩[24]

Critics of this methodology contend that it causes confusion. For instance, in his book, *Outlines of Philosophy*, Will Durant noted that:

> "All that remained was the scientific specialist, who knew more and more about less, and less about more and more. The specialist puts on blinders in order to shut out from his vision all the world but one little spot, to which he glued his nose. Perspective was lost... The common man found himself forced to choose between a scientific priesthood mumbling unintelligible pessimism, and a theological priesthood mumbling incredible hopes... Science wishes to resolve the whole into parts, the organism into organs, the obscure into the known. It does not inquire into the values and ideal possibilities of things, nor into their total and final significance... and because in these days our means and instruments have multiplied beyond our interpretation and synthesis of ideals and ends, our life is full of sound and fury signifying nothing. For a fact is nothing except in relation to desire; it is not complete except in relation to purpose and a whole science without philosophy, facts without perspective and valuation, cannot save us from havoc and despair." [25]

Thus, the mind lost its equilibrium which was once developed by the heat of religious faith. Science detached the basics of moral ideals. Ultimately, the world is indulged in individualistic disturbance reflecting the breakdown of morals.

Because of the bounty and mercy of Allah, He sent the messengers (prophets), from time to time, to inform people with the revelation as guidance for knowledge and protection from going astray and tiresome. Sending messengers is a necessity compatible with the wisdom of Allah and His proofs to people. Due to His bounty, the Message is congruent with human understanding and faculties. Allah says:

﴿وما قدروا الله حق قدره إذ قالوا ما أنزل الله على بشر من شيء﴾

﴿And they measure not the power of Allah its true measure when they say: Allah hath naught revealed unto a human being.﴾[25]

He sent with the messengers the Scriptures disclosing the truth of the universe and life. In them is the legitimacy of life and the methodology which leads to the path of peace. The Books were sealed with the Quran, a proof to people, bearing recovery and mercy to whom has a heart, can hear and see. Allah says:

﴿وأنزلنا إليك الكتاب بالحق مصدقا لما بين يديه من الكتاب ومهيمنا عليه فاحكم بينهم بما أنزل الله ولا تتبع أهواءهم عما جاءك من الحق لكل جعلنا منكم شرعة ومنهاجا ولو شاء الله لجعلكم أمة واحدة ولكن ليبلوكم فيما آتاكم فاستبقوا الخيرات إلى الله مرجعكم جميعا فينبئكم بما كنتم فيه تختلفون﴾

﴿And unto thee have We revealed the Scripture with the truth, confirming whatever Scripture was before it, and a watcher over it. So judge between them by that which Allah hath revealed, and follow not their desires away from the truth which hath come unto thee. For each We have appointed a divine law and a traced-out way. Had Allah willed He could have made you one community. But that He may try you by that which He hath given you. So vie one with another in good

works. Unto Allah ye will all return, and He will then inform you of that wherein ye differ.﴿[26]

WHAT IS ECONOMICS?

In his book, *The Wealth of Nations*, Adam Smith defined economics as "the science of wealth." This definition matched with the industrial revolution, mechanization and excessive production. However, it disregarded the study of human behavior which is the realm of economics. The definition, also, overlooked the economic activities which contributed to welfare such as educational and health services.

Afterwards, Marshall defined it as the study of human behavior in his practical life. Many economists embraced Marshall's definition until the advent of Robbins who defined economics as the science that studies behavior in the relation between unlimited needs and scarce means.

The last definition encompassed the major economic problems. Iron as a raw material, for instance, cannot be attained without a price, since it is not available where it is easily obtained. Still as a natural resource, it is limited. Besides, raw iron has various uses. It is utilized in construction, machineries, consumptive goods, etc. Therefore, our demands of such diversified usage and necessities are just ranks in the ladder of priorities, where the magnitude of the problem appears.

At this point, the positive economic definition of the economic problem is evident. On one hand, the means are scarce as related to limited natural resources. On the other hand, the aims are endless as linked to the unsatisfied human greed. These statements were taken for granted in the economic theories which produced the consumptive behavior theory aiming at the greatest amount of enjoyment. Also the theory of production seeks the greatest amount of profit. Hence, the economic theories are value-free, disregarding

good or bad in consumption, as long as the consumer can pay the price. Furthermore, regardless of how the profit was obtained by exploitation or equality, honesty or dishonesty, profit should augment the capital with whatever means.

Robbins' economic concepts provide that: "An economist, since his duty lies elsewhere, is indicating how the means at one's disposal can be used to attain those ends in the best possible way. According to this conception, economics is a positive science, that is, free from value judgment."[28]

This is the prevalent view of economics among contemporary economists. One of whom claimed that:

> "A rational decision is one that best services the objective of the decision-maker, whatever that objective may be. The term 'rational'' connotes neither approval nor disapproval of the objective itself."[29]

When the Muslim World sought a capitalist definition, it entered the realm of commodity consumption paying the price through usury and debts. When embracing socialism, it encountered hollow slogans that resulting in devastation of the economy and drudgery of the masses.

Prior to going through the definition of Islamic economics, we have to assert that the West had ridiculously selected from the Muslims the materialist creative part, regardless of belief systems. The outcome is evident in the bursting crises which menace the individual and society, and has put human civilization in a frightening jeopardy. Nowadays, the West is committing the crime of deforming Islam in order to narrow up the chance for rescuing humanity from its bitter destiny by its laws.

Islamic economics holds the knowledge of contemporary facts through the discovery of the divine laws of economics. The current term of economics is synonym to "dealings" in the language of jurisprudence. So it includes the legitimate guidance to regulate its flow and pervade goodness. We need a

scientific method in economic research as well as we need jurisprudent precision in the legitimate text. Under these premises, we will be apt to transfer modern technologies to the Muslim reality in order to embed it with a rationalized knowledge as inspired by the text. Thus, by linking the present to a text which rationalizes realities, we will be hoisting the contemporary reality to reach the text horizon.

Jurisprudence persisted to bestow life with direction and guidance throughout thirteen centuries, during which the economic society has not changed. No radical transformations occurred which urged a basic *ijtihad* (religious reinterpretation). Agriculture, trade and industry, which relied on jobs in their system relations and institutions, continued to be simple and fluent. Accordingly, the jurisprudential effort did not exceed interpretation, ranking and indexing.

The Crusades invasion of the Islamic World managed cunningly and compulsively to extract the *Islamic sharia* (Islamic law) from life. During that period, the industrial revolution erupted causing radical changes in human institutions and relations. Here, the provisions of the jurisprudence address were halted, to be replaced with positive laws, confirming backwardness and dependency, thus obstructing progress and awakening. If the flow of the inspired knowledge had been maintained, it would have continued its mission of guiding and rationalizing.

Since economics involves financial dealings and relations, which are connected to what is religiously forbidden and permitted such as partnership, usury and alms, therefore the detailed rules and the particular proofs of *sharia* are major requirements for attaining knowledge. It is difficult for the present generation of Muslims to attain such requirements, but it is still indispensable to describe Islamic economics.

It is a mistake to differentiate between economics and jurisprudence as the contemporaries do in separating law from

economics. They contend that economics is an objective positive science, while Islamic economics is a normative economics related to the lawful and the forbidden and its source is jurisprudence.

The fundamentals of jurisprudence start with the texts, consensus (*ijma'*), then analogy (*qias*), and finally public interests. One would err if the interests were taken in advance, undermining the preceding procedures. Under any term, even if it was under the term of intentions of the *sharia,* fast rules or priorities, because the latter falls under the title "interests" and there is no contradiction between what lies before and after it, it is integrated, as we should not forget the text or skip it under its name. Subsequently, we will be moving from control to illusion if we abrogate Islamic economics and let the positive economics survive, and nothing left except playing with curves and statistics as in the Western field.

The jurisprudents go first through the texts with their independent reasoning and interpretation. Based on causes, they then make analogies to extract texts emitting jurisprudence rules. Therefore, they move from one level to another but always in the shadow of the texts.

Al-Shattbi (died 704A.H.*) says: "Islamic law is set to attain benefits and ward off corruption. If they were violated, no benefit is attained nor corruption is warded off."[30]

Prophet Muhammad says: "Whom Allah wants to do a favor, He grants him an understanding in Religion."[31]

---

* **The Islamic calendar is based on lunar months and years (the rotation of moon around the earth) rather than the conventional solar calendar. The year 1 A.H. of the Islamic or Arabic calendar (622 A.D.) designates the year of *Hijra* (The Prophet's migration from Mecca to Medina). The lunar cycle is shorter than the conventional solar one by 11 days.**

The Prophet companion and second Caliph, Omar Ibn Al-Khattab, used to call "No selling (for any one) in our market unless (for the one who) comprehenas religion."[32]

Al-Fiqh linguistically means comprehension[33] and idiomatically: "it is the knowledge of the practical jurisprudent rules as acquired from its detailed proofs."[34]

The sphere in which *Al-Fiqh* articulates is the same as that of economics. Economics refers to human behavior in its confrontation with the economic problem which is the subject of jurisprudent rules. "Jurisprudent rules are those cases including the attribution of legitimate latent and manifested characterizations of human activities. Such legitimate characterizations restrict the legislator in his judgment of what should be considered as mandatory, forbidden, recommended, disapproved, etc.. These are the so-called "rules" in the jurisprudents tradition."[35]

Therefore, tackling economics with its Islamic understanding requires the following:

1- Economic background: According to Keynes, "the master economist must understand symbols and speak in words. He must contemplate the particular in terms of the general and touch abstract and concrete in the same flight of thought. He must study the present in the light of the past for the purposes of the future. No part of man's nature or his institutions must lie entirely outside his regard."[36]
2- The regulations of Islamic law: Ibn Abdeen (died 1325A.H.) noted that it entails being knowledgeable of the language, the science of recitations, the narrators of traditions, the abrogated and the invalidated, the private and the general, the text and the apparent and all these are tools to the science of *tafsir* (Quranic Interpretations) and *hadith* (The Prophet's Sayings), as well as industry, agriculture and politics.[37]

Our duty, hence, involves the present reality, on one side, and jurisprudent conviction on the other. To realize the Islamic methodology we have to strive for jurisprudence understanding to handle Islamic legal affairs, accompanied with a scientific methodology to contemplate modern affairs. Likewise, we will be enhanced by the capability of delivering modern technologies to the Muslim reality to be polished with textual revelations as interwielded with scientific methodology. Therefore, the researcher should be up-to-date grasping the latest processes for analyzing economic phenomena. Also, he should be capable of extracting from jurisprudence what is congruent with innovations. Interweaving the contemporary period with revelation in the Muslim mind is our purpose, to resume the procession of intellectual development.

Herein below is the definition of Islamic economics:
"The science which discovers economic facts which are then guided by religious values and sharia regulations."

NOTES

1. *The Lexicon Webster Dictionary*. G & C Merrian Company, 1966, p.2032.
2. Jerome Ravetz, "History of Science," *The New Encyclopedia Britannica*, Vol.27 Encyclopedia Britannica Inc., 1994, p.30 science.
3. Robert M.Augros & George N.Stanciu, *New Story of Science*, New York, 1984. Trans. by Kamal Al Khalaily. Alam Al-Maarifa No.134: 1989, pp.43, 64-69, 147.
4. Augros &.Stanciu, Al-Khalaily, *ibid.*, p.140.
5. Charles Frankel, *The Case For Modern Man*. First Beacon Paperback, 1959, p. 47.
6. George Soule, *The Great Economists*. Mentor Book, 1958, pp.16-17.

7. Frankel, *ibid.*, pp. 52-54, referring to Jack Maritain's study, *True Humanism, Scholasticism and Politics.*
8. William Laurence, Bishop, "Wealth and Moral Behavior," in Arthur Johnson, ed., *The American Economy 1929-1970.* The Free Press Division, Macilland Company, 1974. Translated by Dar Al-Maaref, 1981, pp.47-48.
9. "Keeping faith in his time," *U.S. News & World Report*, October 9, 1995, p.72; see also Kenneth L. Woodward & Gregory Beals, "Preaching in the Rain," *Newsweek*, October 16, 1995, p.34.
10. Augros &.Stanciu, Al-Khalaily, *ibid.* p.142.
11. *Ibid.*, pp. 138-45.
12. Surat Al-Hij (The Pilgrimage) verse 46; throughout the book, we substantially refer to the translations of *The Holy Qura'n, Text, Translation and Commentary*, Abdalla Yousuf Ali, Dar Al-Arabia Lil Tibaa Wa Al-Nishr Wa Al-Tawziaa, and *The Glorious Qur'an*, M. Pickthall, Taj Co., Karachi. However, whenever necessary, some English terms have been replaced with presumably more accurate terms.
13. Surat Al-Isra'a (The Children of Israel), verse 36.
14. Surat Fusilat, verses 22-23.
15. Tawfik Al-Tawil, *Al-Falsafa Al-Akhlakia: Nashatiha wa Tataworiha* (Moral Philosophy: Its Establishment and Development). Dar Al-Nahda, 1967, p.348.
16. Fredinand Zweig, *Economic Ideas: A Study of Historical Perspectives*. Prentice-Hall, Inc., 1950, p.5.
17. Ibn Taimia, *Magmoat Al-Fatawy* (A Group of Fatwa). Vol.2, Maktab Al-Maarif: Ribat, pp.78-9.
18. George E. Kirk, *A Short History of Middle East , From The Rise of Islam To Modern Times*. 7th edition, Frederick & Prager Inc., 1964, pp. 38-39.
19. Ravetz, *op.cit.*, pp.31-32.

20. Levi, "The History of Western Philosophy," *The New Encyclopedia Britannica*, *op.cit.*, Vol. 25, pp. 752-753.
21. Surat Al-Nigm (The Star) verses 23-25.
22. Surat Al-Kassas (The Story) verse 50.
23. Surat Al-Kahf (The Cave) verse 28.
24. Surat Al-Nigm (The Star) verses 28-30.
25. Will Durant, *Outlines of Philosophy*. U.K. Ernest Benn Limited, 1962, pp. 14-21.
26. Surat Al-Ana'm (Cattle) verse 91.
27. Surat Al-Ma'ida (The Spread Table) verse 48.
28. Claudio Napoleoni, *Economic Thought in the Twentieth Century*, edited extended & introduced by Cigno Alessandro. Wiley, New York, 1973, pp. 34-35.
29. W.G. Baumol & A.S. Binder, *Economics, Principles & Policy*. Harcout, 1982, p.69.
30. Al-Shattbi, *Al-Mowafakat* (The Approvals). Vol.1 Maktabat Sobieh, p.331.
31. Al-Albani, *Sahih Sonan Ibn Maja*. Vol.1 Al-Maktab Al-Islamy, 1988, p.43.
32. Al-Albani, *Sahih Sonan Al-Termothy*. Vol.1 Al-Maktab Al-Islamy, 1988, p.151.
33. Ibn Manzor, *Lisan Al-Arab* (Dictionary). Dar Sader, Beirut, p.11
34. Abdel Wahab Khalaf, *Osol Al-Fiqh* (The Fundamentals of Fiqh). Dar Al-Kalam, 1397A.H., p. 11.
35. Ali Hasaballah. *Osol Al-Tashria'a Al-Islamy* (The Fundamentals of Islamic Legislation). Dar Al-Maarifa, 1391A.H., p.18.
36. Baumol & Blinder, *op.cit.*, p.10.
37. Ibn Abdeen, *Hashiat Ibn Abdeen*. Vol.1 Al-Halabi, 1966, p.42.

Chapter Two
THE ECONOMIC SYSTEM

A system sought by any society is an organic manifestation of its member's beliefs and perception of the purpose of life and his role in this world. Thus, the social system can never be separated from its doctrinal roots. The term "system" involves a set of relations, beliefs and institutions activated in the life of people, as well as the activities, policies and laws governing them.

The Western school of thought is the product of the principle of freedom. It sees the world as a machine created by God and left it moving without His interference. This conception is derived from the Biblical saying "Render unto Caesar what is Caesar's and unto God what is God's," hence, deifying man on earth. Accordingly, a state of free competition emerged. Profit is pursued, as the most important impetus for production, seeking satisfaction and utility as its ends; also, usury is permitted on a large scale, and disparity of incomes prevails which is reinforced by monopoly. Such manifestations engendered exploitation, usury, wars and crises.

Leaping from one extreme to another, communism came as a reaction to the capitalist remnants of social injustice and oppression. Communism is based on dialectical materialism which deifies matter, considering it the root of existence. Change occurs through opposites and conflict. Materialistic life, as related to the mode of production, determines conflicts of social, cultural, political, religious and moral affairs. The cause of conflict, in the communist view, is ownership which is considered a tool for exploitation. Also, religion is an opium used to exploit the weak for the interest of the exploiter.

Therefore, the salvation is the dictatorship of the proletariat applying expropriation to end the cause of conflict.[1] The result was nationalization, planning, and dictatorship.

Today we are witnessing the traces of communist extremism as narrated by its wretched masses. Thus, the instinct won over persecution, blood and destruction regaining back the concepts of family, private property, and incentives.

Surprisingly enough, whenever a society imitates these political or economic systems, their values and beliefs spontaneously encroach into the imitating society. For instance, when adopting capitalism, secular concepts pervade "religion for God and the country for all." Corresponding to collective ownership, campaigns against religion are launched distorting its fundamentals and figures, claiming that it is a source of backwardness and that it is the opium of the masses.

The Islamic outlook of the subject matter of economics is pertinent to the Islamic interpretation of the world and life. The purpose of existence is worship. Matter is a supportive tool, in this case essential, since it is a medium for worship. There is no worship without human beings. There is no living without development and prosperity of this world.

Man's pursuit of freedom is ensured by his worship of God. Worship releases man from being enslaved to his desires through piousness, and from being enslaved by people through divine knowledge, so his relation to his fellow man will never be that of the slave and master. His belief that God is the Creator and the Provider sets him free from all forms of slavery. He fears no one but Allah in determining his means of living. Thus, his freedom is conditioned by his enslavement to Allah.

At this point spring out Islamic economic teachings which are based on the value of freedom. Individual freedom is practiced as a means of seeking spiritual growth. The more restriction imposed on such freedom, the more the person

goes aloof from the spirit of Islam and its methodology. The one, who lives dependent on the other, commanded by the other's orders and living in his shadow, is less capable of choice and in turn less responsible for his deeds.

Due to this fact, the judgment of the salve in Islam is less than that of the freeman in obligation and punishment.
Allah says:

﴿ضرب الله مثلا عبدا مملوكا لا يقدر على شيء ومن رزقناه منا رزقا حسنا فهو ينفق منه سرا وجهرا هل يستوون الحمد لله بل أكثرهم لا يعلمون﴾

﴾Allah sets forth a similitude: (on one hand) a (mere) chattel slave, who hath control of nothing, and (on the other hand) one on whom We have bestowed a fair provision from Us, and he speneth thereof secretly and openly. Are they equal? (By no means) Praise be to Allah! But most of them know not﴿ [2]

Nevertheless, freedom in Islam is not absolute. Islam by nature takes the middle course. Deviation curbs the freedom of others, or at least harms it, since the individual affects society and is affected by it. Undoubtedly, virtuousness is an essential obligation ensued willingly by man, and is deemed to judgment. However, the prevalence of vice in society hampers the individual from practicing his right to choose; his freedom is bonded with heavy burdens dragging him down whenever he follows righteousness. Under such circumstances, society should limit individual freedom which in many cases restricts the freedom of others. For example, the monopolist starts his activities relying on the principle of individual freedom ending up in the state of monopoly which hurts the others' freedom, and constrains the fulfillment of their demands. At this end, Islam furnished the concept of freedom with limitations.

The economic approach in Islam is mainly based on the principle of individual freedom limited by public interest to

ensure the freedom of others. It is primarily freedom which counts. These are some of the manifolds of the middle course between the individualism and communism of the concept of freedom which begins with the individual interest and ends at the communal interest.

In another sphere, the methodology is affiliated to faith in Islam. Matter, in Islam, is the mundane world created as a means for the Hereafter. Here, we are at a divergence point of two methodologies: if the world is an end in itself, so we search for the economic man, as the material satisfaction is the subject of analysis. This is the contemporary crisis inherent in the corruption of people's values, as well as in the destruction resulting from conflicts between nations. On the other hand, if the world is a transit for the Hereafter, the materialistic setting is currently seen shattered from within, it becomes extremely necessary to renovate it with a new foundation.

The financial system mirrors the socio-economic and political systems[3], which are manifestations of the faith intrinsic in society. Likewise, the financial system is formed, developed and articulated to serve society, whether capitalist, socialist or Muslim, in different ways, quantitatively or qualitatively, due to various sets of doctrines, that people embrace.

Socialist mechanisms are enacted by the nationalization of the means of production, and consumption and investment planning. Some of socialist adherents tried to apply their views to Islam claiming that the Islamic economy is based on nationalization and planning. Going to capitalist mechanisms, however, they are based on private ownership and unlimited profits, as realized by usury, taxes, insurance, and even monopoly. Some of the capitalist followers with their positivist culture impose the idea of usury permission upon Islamic teachings, involving taxes and insurance as basics, while considering alms a personal issue. Again, they presume that this state is of an Islamic economy.

Islamic economics is embarked on acquiring economic and religious experience using the mechanisms endowed by Allah to establish an economy. With this conceptualization in mind, we stand face to face with the Islamic economic system.

- Alms replacing taxes and insurance.
- Partnership replacing usury and aleatory.
- Just price replacing monopoly and price control.

Therefore, we will be emancipated from the economic system reared in the arms of capitalism and socialism, striding toward the genuine economic system guided by what is lawful and released from what is forbidden, under the belief that there is "no God but Allah and Muhammad is the Messenger of Allah."

Some Western thinkers assume that every civilization has its own conceptualization of the world; that is to say lenses through which every thing is comprehended and evaluated. Thus, the features and characteristics of a certain civilization are determined by its prevailing perception of the world. It weaves its knowledge, furnishes its methodology and steers its attitude. This conceptualization is the context in which knowledge is further digested and the criterion with which things are measured. No one recognizes that he has a certain perception until he encounters an alternative one, either carried by another civilization, enfolded in ancient history, or when our conceptualization undergoes a transitional transformation.

Since the renaissance period, the Western civilization has been subjugated to positive science. Its renaissance-old perception of the world is currently being challenged by the science of the twentieth century.[4]

As follows, capitalist and socialist methodologies will be handled in reference to roots of their faith; then we will deal with their economic systems. We are here propounding the original models of such systems, which are being exposed to

change due to their shortcomings. States vary in what they attain from the two systems, but when the models collapse, the same fate reaches their dependent mixed followers.

Basics of The Capitalist Economic System

The Western society, particularly England, has been witnessing material accomplishments since the nineteenth century. That was achieved through either technological progress or the exploitation of colonized markets as a result of geographic explorations or colonialism. That is called the industrial revolution.

With the advent of steam energy, mechanization prevailed and the scope of production broadened. As a consequence to this technical revolution, job specialization and division of labor facilitated more accomplishments and more inventions.

Under such circumstances, a huge production apparatus emerged. The wheel of development whirled from steam to electricity, then to atomic energy. Manual manufacturing shrunk and the machine proved its efficiency whether in availing employment or in increasing the quality, quantity, and variety of production. Man advanced in knowledge, skills and experience in how to exploit and utilize resources.

New features polished the world. Industrialization went along with agriculture; money and banks replaced bartering; distances were cut short by airplanes, telegraphs and telephones. The world has essentially became borderless.

In the previous chapter, we discussed the moral basis of capitalism. Here we will go through the fundamentals of the capitalist economic system. As mentioned before, the capitalist system was established on the principle of freedom as a reaction to the power of feudalism and the church. That was displayed with the appearance of the physiocrates who called for economic freedom claiming that economic phenomena is

subdued to a natural system regulated by eternal fixed laws. These laws benefit man if he does not interfere, and if he realizes his interests, the community interests will be achieved so there is no conflict. The physiocrates raised the motto *laissey faire laissey passer*. Adam Smith appeared at the beginning of the industrial revolution. Attended conferences by the physiocrates,[5] Smith founded the capitalist school on two pillars:

1. Economic freedom as ensued by rights of ownership, inheritance and profit.
2. The market principles as based on free competition.

In his book, *The Wealth of Nations* (1776), Smith presumed that the tasks of the government was embedded in national defense, justice, security and supplying the masses with public services. Since the time of the physiocrates and their disciples, the classical economists, it has been conceived that when the individual achieves his personal interest, he is achieving the communal interest, and in turn balance and coordination are realized. Any interference of such freedom destroys natural law and impedes progress. Therefore, capitalist doctrine is fundamentally built upon the following:

A- Liberalism

Individuals should be set free in order to fulfill their private interests. They choose their jobs and activities. They have the right of ownership and the right of work. The government is permitted to intervene in a very narrow scope like in the concerns of distribution. Production, in this view, is operated automatically.

B- Utilitarianism

The happiness of the individual and society, defined as a group of individuals, is concentrated in acquiring pleasure and overcoming pain, with their sensuous meanings.

C- Harmony

There is no conflict between the individual interest and communal interest. Society realizes its interest when the individual achieves his. The total communal utilitarianism is equal to the sum of maximum individual utilitarianism.

Thus, the economic problem is solved in the free market where supply and demand interact. Price competition leads to best resource allocation and best consumer satisfaction. These relied on the following premises:

1) The factors of production are possessed by individuals and production is carried out by private projects.
2) The freedom of choice in the free market is related to consumption, saving, employment and investment.
3) The government does not plan nor control the market nor compete with institutions.

Under the market mechanism the seller tries to obtain the maximum profit, while the consumer seeks the maximum satisfaction with his income. Every unit in the market economy has two markets: 1) the household, buyer of consumptive commodities and seller of productive services; 2) the firm, buyer of productive services and seller of consumptive and investing goods. The two major forces in the market economy are profit and competition. Prices determine buying-selling decisions. Initially, capitalism succeeded to a certain extent because it was founded in reference to human instinct of ownership, profit, inheritance and competition, all are situations admitted by Islam.

The Function of Ownership

Founded on the right of private ownership, the capitalist system accomplished a wide range of material advances because of the following:

1) Stimulating the drive of wealth accumulation: man by nature adores collecting money and augmenting it. Money collection is a human instinct.
2) With this motive, the individual exerts all his faculties, takes risks, and explores to earn more and more money. This led to benefiting from natural resources.
3) Not only to collect money but also to secure it from extravagance and squandering, so the lands were cultivated, machines were maintained, constructions were renovated. Therefore, the public wealth was enlarged and sustained. Under this system the social costs of corruption and carelessness existing in the public ownership are minimized.
4) Moderate consumption means savings and investment which augment wealth and open up new horizons for social development, more employment opportunities, and multiplying production.

These positive manifestations can not be executed unless the right of inheritance and the right of profit are guaranteed.

Inheritance

Private property is meaningless without being inherited through familial lines. Associated with the right of private ownership is the right of having a free hand in this property, maintaining and developing it. Without the right of inheritance the owner will loose interest in his property and won't be motivated to maintain it. As a consequence, extravagance will prevail and production will decrease at all sectors of society. People suffer to expand and sustain their wealth to ensure a certain standard of living for their children after their death. This fulfills a deep-seated desire of the owner.

Profit

Collecting money is a dynamic human instinct incited by profit which stirs up development and progress. The owner gains the difference between production costs and the commodity price prevailing in the market. The increasing rate of profit in a certain industry indicates high consumer's demand which again motivates seeking further profit.

Pursuing large amounts of profit, the owner reduces the costs to the minimum level by economizing in resource use. The profit motive provokes an adventurous sense which sky-rockets revolutionary successes in production.

Competition

Competition sprouts from the value of freedom. The sellers are free to choose the commodity to be sold. They have the right to enter the market and exhibit their commodities. The buyers have the right to choose the kind and quantity of commodities which meet their demands. The owners of means of production, land, capital and labor, supply their commodities and compete without constraints or agreement. Therefore, many sellers are supplying commodities without constraints or agreement and many buyers are demanding without constraints or agreement. This is free competition, a chief ground for the philosophy of free markets.

Keeping up competition stems from the following realized advantages:

1) Efficient and optimum allocation of economic resources, together with different production units in all economic activities can reach maximum economic efficiency with minimum production costs.
2) The consumer has a wide spectrum of freedom to choose a diversity of commodities and services; producers work on satisfying their desires and preferences. Thus, the consumer is not prone to exploitation, in addition to

obtaining the commodities with prices equal to their production average costs.

3) Producers are free to embark on whatever industries or production lines that insure biggest amounts of possible profits.
4) Factors of production are freely chosen to suit employment, labor and work authorities which lead to elevating production efficiency of economic projects.
5) The harmony between competition and economic growth is a strong incentive for: efficient production, using modern methods of production, improving products and services, and providing a fertile climate for innovations and technological advances.
6) It contributes to economic stability, due to the flexibility of competitive economy and its ability to adjust to different conditions. Instability rarely exists and if it does, it is less than the state of stagnation identified by monopoly. Thus, equilibrium is spontaneously ordained. Also, the economy is less vulnerable to chronic inflation triggered, to a great extent, by large projects and labor unions.
7) It protects workers from exploitation, as producers compete to give him a higher wage.

Drawbacks of Capitalism

Human society is not a vessel for unimpeded liberal satisfaction of individual desires and instincts. The modern convictions of instinctive freedom and fierce competition under the slogan "survival for the fittest," expunged the most humane traits of justice and mercifulness. It can be said that absolute freedom leads to oppression and corruption. When there is no law dealing with those who eat up people's money in vanity, no punishment is ensued for monopoly, deception and usury. Within this context, malicious people can easily make fortune through improper means, while virtuous meth-

ods are considered beyond one's means. It is the state when mercy is detached from the people's hearts as no one cares for the miserable, poor, and disable. At the same time, provocative luxury and lavishness prevail in society which becomes a jungle with no room for the weak. This is the case of Western liberalism in its economic capitalist manifestation. The more prosperity and wealth are achieved, under liberty, private property and competition, the more the rich illegitimately usurp the state's finance, and the more the rights of the poor, deprived and needy are abused.

The declining symptoms of capitalism are:

1- *Monopoly*

In the capitalist arena, the competitive atmosphere is unjust par excellence usually serving the interests of the powerful. The bigger the enterprise, the more profits are realized by the mighty producer who becomes increasingly capable of wiping out his weaker competitor. He is able to reduce the commodity price without shouldering any difficulty. This jeopardizes the status of the impotent producer in the market, who eventually relinquishes, leaving the entire playground for the mighty who unimpededly raises the prices and thus attains the biggest amount of forbidden profit.

The market can be exclusively controlled by one producer, i.e. monopoly, or two who coordinate prices for their benefits, or more than two who can increase prices by agreements, i.e. the oligopoly. Monopoly is not restricted to producers, but it encompasses the consumers who can agree on a price decrease by withholding to buy; this is called the monopsony.

Monopoly prevailed in Western societies shortly after the industrial revolution. It was apparent prior to World War I in England, Germany, France and then the United States. Compacts were the means for monopolistic control between the

two world wars. Prices were determined by agreement; markets were partitioned and export quotas were defined. The objectives of every compact differed, but they converged on their common goal to fix prices and profits. Then emerged gigantic multinational corporations which swallowed up many smaller companies.

The most deteriorating condition of capitalist economy occurred after World War II which destroyed the economy of the core states, Germany, Italy and Japan. While the European economy was ruined by war, the United States triumphed with its strong economic capability to rule the international economic system. The dollar replaced gold in international transactions and reserve funds. As a result, the European economy restored its might and Japan joined the club of international monopoly.

Since the 50s and early 60s, multinational corporations have been inexorably expanding to control the biggest portion of trade and production in the capitalist world. A multinational corporation is a firm whose economic enterprise has headquarters in one country and seeks business activities in other countries. It is operated within the context of the headquarters interests, while the host-country partner, most probably having limited functions, is incapable of being technically independent from the parent firm.

Prior to industrial capitalism, multinational corporations resemble the seventeenth century companies, e.g. the Eastern India Company, which were the means for prime accumulation of capitals on the international level through political occupation. Today, the multinational firms are the tools of monopolizing capitalism for international capital growth, asserting sovereignty over the Third World through economic imperialism, without the use of military power.

Furthermore, these corporations exclusively control technological innovations in the capitalist world which render

them an enormous ability in international trade. Possessing the keys of technological progress, they impose their power over other companies within the developed capitalist states. Multinational corporations export to the Third World countries their remnants, obsolete technologies, or industries, causing environmental pollution or energy consumption, which in many cases are locally funded. Thus, they can guarantee the exhaustion and dependence of these developing states.

Multinational corporations have the upper hand on imports and exports of international trade. Although their investments primarily reside in developed capitalist states, in proportion to total investments, larger amounts go to developing countries to keep up with their backward conditions and ensure their dependency under the international division of labor which persists the technological advancement and material wealth of the developed states. As a matter of fact, developed countries began to form large economic blocs or entities, e.g. the United States and European Economic Community, etc. Currently, within the context of their industrial and technological power, they are imposing the General Agreement on Tariffs and Trade (GATT) on the world in the name of the new international order, to insure their best access to and exploitation of the resources of the Third World, again in the name of liberalization.

Furthermore, the primary goal of imperialist states was to open up new markets in the occupied lands to sell their commodities. Not only was imperial capitalism associated with undermining traditional industries, it resisted the establishment of modern industries in the Third World.

2- *Usury Banking*

With their multinational nature, bank consortiums emerged forming blocs to divide markets among them. These confederations expanded to a great extent in the sphere of in-

ternational credits, whereas oil surpluses are accumulated and the developing countries are immersed in borrowing these accounts to the Third World. These banks are capable of gambling through currency speculation or by the convertibility of these accounts in international monetary markets. For example, moving a small portion of the huge monetary reserves in the paper money market is enough to cause critical problems. Usury banking is firmly associated with monopolies. Typical of these are Chase Manhattan Bank owned by Rockfeller Family, and First National City Bank owned by Jenny Oil Company.

As a result of absorbing people's incomes and increasing poverty at the national level, as well as at the Third World level, the demand on the monopolized goods diminishes leading to an economic depression in the capitalist countries. Methods were devised to stimulate and attract the demand on commodities. Thus, the concept of debt selling via bank credit cards emerged to further grind the masses, once by monopolized overprices and then by usury debts.

Experts postulate that the British society is about to float on a sea of credits which were used to refresh companies. However, it ended up in an increasing credit mania of the eighties when many families were ensnared by borrowing, as they cannot resist buying without liquid money by credit cards. In Egypt too, syndicates consider themselves highly efficient when pursuing profitability in goods exhibitions and resale on credit by stated profit (marked up), instead of promoting productive subsistence for their unemployed members.

On the international level, international banks activated the loan process to purchase services or consumptive commodities; an act concluded with a Third World debts equal to more than $1200 billions in 1994, paying $200 billions/per year as interest. This is obvious in the currency flow as the developing countries disburse about 60 billions to the capital-

ist Western countries, while their income amounts are equal only to $35 billions/per year.

Admitted by economic researchers, the problem of the contemporary economy resides in the gap between the monetary sector which is based on interest rates and debt/debt relation, and the real sector, i.e. investment in agriculture, industry and trade, which depends on profit and partnership. Impacted by interest rates, the monetary sector cancerously soared to the extent that it menaces the stability of the local monetary order as well as financial relations of the global economy. Hence, if the monetary sector exceeds the real one, prices increase and inflation prevails, while if the opposite occurs, prices decrease and stagnation spreads out. Thus, this cycle threatens capitalist economic system. In order to get rid of this headache, it is contended that the financial activities based on debt/debt relation should be limited, and partnership should be expanded by alleviating share numbers.

3- *Gambling*

A critical change emerged in investment under the capitalist system. While the nature of investment relied on the risks of gaining or losing, the debt/debt relation extended, and securities increased. In addition, as the prevailing monopolies and corporations breed gambling, the activities of stock-exchange was altered from real investment to fallacious processes where there is no receipt of goods or prices but taking the chance of price fluctuations, so if their expectations were right they profit and vice versa. Therefore, those who deal with stock-exchange activities are most probably considered gamblers, gambling on high/low price spectrum.

Under such circumstances, irrational measures are sought in production which became vulnerable to crises. Speculations involve raw materials, manufactured goods, securities, real estate, etc. Thus, following the illusion of rapid wealth, the

economy is trapped by gamblers. Accurate evaluation of investments and returns disappears to be replaced by impulsiveness and greediness. Accordingly, investment in the context of domestic or global economy is controlled by the gamblers' desires, changing the market from a place of benefits to a gambling club.

Moreover, stated by capitalist history, the New York stock-exchange collapsed in 1929, when securities were devalued by 80% of its previous value. Similarly, in 1982, due to these conspiracies, the price of a gold ounce declined from $1000 to $54. Also, in 1987, an immense deterioration was witnessed in the New York stock exchange. Losing fortunes, bankruptcy and suicide committed, all are miseries embodied by the hands of gamblers.

Naturally, such intrigues are more frequently practiced on weak producers who make loans guaranteed by their securities, so by the sudden collapse of the stock-exchange prices, they sell their assets. The same is applied to the Third World at the international level, e.g. when Egypt sold the shares of the Suez Canal, and the conspiracies undertaken to cut down export prices of the developing countries in the international markets.

In the international market, the commodity is not a profit determinant, but rather the forces of the economic monopolies set the conditions for exchange. Such forces have evolved until they became the controllers of international trade which is administered to their own interests. The developing countries in this situation are obliged to run the biggest portion of their foreign trade with capitalist countries. It is worth mentioning that the structural trade among Arab states does not exceed 5% of total foreign trade.

The Result

Founded on secular basis, the Western style of living, as embarked on capitalism, rejects the involvement of religion, values and morals in economic behavior. At the consumptive level, there is no difference between good and evil. At the production level, no attention is given to what is religiously forbidden or permitted. The main pursuits are pleasure and profit. In the framework of monopoly, usury and gambling, family and values are fading away, while a society sprouts out managed by lusts, greed, and sexual desires.

Under this atmosphere, the West is indulged in crass materialism steered toward spiritual emptiness, which results in more frustration, depression and suicide. All the measures of annihilation are sought through conspiracy and craftiness.

Thinkers and philosophers are not just worried about the disparity between man and his fellow man, but rather about the extremely widening gap between them in power and wealth. Distant from discrimination, exploitation and tyranny, natural difference is appreciated in societal development and growth, as it opens up new horizons for thinking and morals. Hence, what is good is a state of preferment without dependency and passivity, enhancing the human trait of mercifulness by caring for the impoverished. Capitalist tenets, on the other hand, reversed the criteria at the national and global levels, confining money and wealth to few rich people and states.

In the *World Bank Human Development Report* (1992), looking at the national income distribution in the United States, the richest country in the world, it is evidenced that the poorest fifth of the population attained only 5% of the total national income during the second half of the twentieth century; the richest fifth, on the other hand, obtained 40% of the national income. It is argued that a very large sector of Americans are astray, unsheltered and living below poverty level.

On the international spectrum, facts are terrifying. Sixty percent of the global population has only 5.6% of the international income. The continuing conspicuous gap between rich and poor states of the world was clear in 1989, when the income of the 20% of the world population living in developed countries increased to 60 folds more than the income of those living in the poor states. Previously, the income of the rich exceeded that of the poor by 30 folds only. The employed monopoly and usury of the Western world cost the Third World $500 billions/per year, due to the disparate situations in international trade.[6]

Since productivity strives for profit and the rich are the potent force for purchasing, most of the energy is conducted to produce luxurious items needed by the rich, ignoring basic needs of the sweeping number of the low-income and poor masses. This is obvious in the consumptive pattern of the Western society and that of their assisting elite of the Third World, while the unable majority lives miserably.

By compensating its farmers, the United States is reducing the cultivated area of wheat to raise its price, while tremendous numbers of the Third World people are starving. Similarly, in 1974, the European Common Market spent hundred million marks to destroy thousands of tons of fruits, vegetables, butter and cheese as well as herds of cattle, when world children were suffering from malnutrition and craving for food.

There is no reason for this capitalist omnipotence. The whole world can justly live in welfare and development. The Third World development is not contrary to the Western opulence. Nevertheless, comprehensive progress will liberate the Western economy from ghosts of crisis and stagnation.

The myth of democracy vanished through misleading the public opinion. Likewise, the wealthy people possess the means to persuade electoral behavior and win government

elections. In turn, the elected governments execute policies in foreign and domestic affairs, in favor of the interests of monopolizing companies. Such monopolies not only manipulate and influence public opinion, but they own the power to change political conditions in different states via economic strategies and authorities in decision-making circles.

All these appearances predict the destiny of what seems expected for the international capitalist system. In the economic arena, severe irremediable problems are inflicted. Pursuing imperfect competition and monopoly, the consumers are insecure, when no limit is set to restrict producers from deviations. However, it is locally and internationally demonstrated that despite the monopolist power to raise prices and curb production, he can not guarantee a continuous demand for his commodity, even if he injects the purchase forces with loans. Furthermore, the ardent speculations in commodity and monetary markets cause the economy to stagger like the deranged by the devil.

As a matter of fact, being encircled by capitalism, economic experts are unable to discern that the vile activities of monopoly, usury and speculation are paving the way for a capitalist end. Even if their scientific conjecture drives them to this conclusion, they are defeated by interest groups and lobbies.

The Third World is behind the cohesiveness and continuity of the Western society. The Western developed countries through their monopoly might are perennially exploiting the developing world. The underdeveloped Third World is propelled to export with the cheapest prices and import Western goods. When the Third World attempted to reset some justice by changing the conditions of some foreign trade transactions by increasing oil prices, the Western society was deeply terrified from the aftermath of the event which might have affected its standard of living. Thus, as the capitalist economy was

prone to stagnation, schemes were contrived forming a pressure group to monopolize purchases through huge amounts of storage of oil barrels. Subsequently, without future plans, the disperse Third World countries were short of resisting. Hence, they are getting more and more dependent on the West.

Capitalism has been noticeably injured, more than secured, by its malignant activities of monopoly, usury and speculation.

It is time for the Muslim world to wake up and search for its roots by following the path of Allah, and of what He forbids and permits. The Islamic World is in a desperate need to unite, so as to challenge the fierce assaults that aborted its progress and murdered its unity. It is inevitable for Islamic states to foster a futuristic outlook by changing the current economic structures which affiliate to international capitalism to serve its objectives. Embracing strong determination and accurate planning, nothing else but Islam will rescue mankind from the repercussions of liberalism and capitalism.

Basics of The Socialist Economic System

Throughout the course of history, Robert Owen was the first to use the term "socialism." He believed that people can achieve the biggest amount of benefit from productive forces if they cooperate for the sake of public interest, abolishing private property and profit, and establishing independent industrial and agricultural communities. Owen viewed that the development of machines would lead to unemployment, on one hand, and accumulation of production, on the other. According to him, the only solution was to broaden the market by raising the labor wages and free competition. Moreover, prosperity could be reached through abundant production under a socialist system.

Owen tried to implement his ideas, so in an industrial area, he constructed a compound encompassing healthy houses for workers, stores to sell commodities with low prices, nursery schools for children, beside providing health insurance, aid to elders and disabled, and executing for the first time the concept of pensions and unemployment compensations. Thus, a comprehensive cooperative program was set for 300/500 workers, who were motivated by cooperation, rather than profit, to achieve production. Furthermore, Owen endeavored to apply his cooperative theory in the United States by establishing in 1825 a compound in one of the states, but he failed, became poor and returned back to England in 1829.

Some Western thinkers considered property a kind of theft. It was contended that in order to change the existing system, the government with all its authorities should be eliminated, while running economic affairs should be carried out by ordinary individual efforts. They called for the establishment of an exchange bank, where the worker deposits his wage receiving a coupon in return to do the role of money. Experimental banks were developed but collapsed immediately due to underestimation of the demand factor, as the workers commodity was not demanded.

In the second half of the nineteenth century, Karl Marx came out from the heart of capitalist miseries and social injustice, labor exploitation, monopoly, usury and speculations. Radically, Marx moved to the other extreme to elevate his principles of expropriation, profit abolition, and melting difference.

A differentiation should be made to distinguish socialism from social reform. Some social reformers were dubbed as socialists in spite of their rejection of many socialist conceptions. Backing labor rights and calling for improving their

conditions is different from nationalizing capitals and private property abolition.

Also, the rule of a government based on public interest, whether developmental or social, should be distinguished from the government's adoption of national projects concerning infrastructure and public utilities, electricity, sanitary drainage, etc. The latter is a common feature of any country, socialist or capitalist, so it has nothing to do with socialist prospects of nationalizing means of production and abolishing all sorts of income except wages.

The Fall of Marxist Socialism

The core of Marx's thought was atheism and the deification of matter. He resembled the old paganists who defied natural phenomena, but replacing the sun or moon or cows with the means of production, which he considered the determinant of the socio-cultural structure of society. As a consequence, those who believed in this paganism launched campaigns against religion and religious people were prosecuted under communist rule.

Following the ancient philosophic sophism and dialectics, Marx postulated that matter worked itself out through the conflict of contradictions, namely, dialectical materialism. Also, necessity and determinism governed his interpretation. He divided the world into progressive and backward states, while applying his theory to human history and natural laws.

In the sphere of human conflict, Marx's theory of surplus value affirmed that the only righteous income was that of the worker and that the private property was the cause of troubles. Calling for expropriation and proletariat revolution, he referred to history to support his ideas. The primitive man lived in a better conditions, since his means of production of stony tools impelled him to cooperate in his struggle with nature. However, when man discovered the arrow, bow and

axes, slavery prevailed among human beings. Agriculture forced people to produce more than consume. The existence of arms and weapons forged a state of enslavement, followed by feudalism and finally the industrial revolution when the capitalists exploited workers by taking their rights in surplus value. According to Marx, only the socialist/Marxist philosophy could eliminate such exploitation and restore human cooperation rather than conflict.

For Marx, fixed capital included the like of buildings, raw materials and machines do not engender production except through work. As a consequence, those who share in production without work are considered parasites living on theft , i.e. rent and profit.

Modern science refuted the application of Marxist theory on natural laws. Matter is not the opposite of energy but it is a condensed energy. The atom is free of antithesis, as its parts are harmonious. The globe is full of diversified laws governing each species; the law of sound differs from that of light and that of plant differs from objects, and so on. However, the coordination and integration are much more apparent than conflict. In confrontation with scientific validity, the Marxists switched over to the proven scientific tenets. The same happened to their refusal of Mandel's heredity theory, believing that traits are acquired not genetic, but they changed their minds.

Without diversity and regulation, a state of chaos will prevail in the universe.

Allah says:

﴿ إن الله يمسك السموات والأرض أن تزولا ولئن زالتا إن أمسكهما من أحد من بعده إنه كان حليما غفورا﴾

﴾Allah sustains the heavens and the earth, last they cease (to function), and if they were to fail, no one could sustain them after Him. He is ever Clement, Forgiving﴿[7]

Thus, discipline and coordination are manifested:

﴿لا الشمس ينبغى لها أن تدرك القمر ولا الليل سابق النهار وكل فى فلك يسبحون﴾

﴿It is not for the sun to overtake the moon, nor can the night outstrip the day. They float each in an orbit.﴾[8]

These are bounty and grace from Allah which He bestowed onto us.

﴿قال ربنا الذى أعطى كل شىء خلقه ثم هدى﴾

﴿He said Our God is He Who gave unto everything its nature, then guided it aright.﴾[9]

Man is a part of the system of universe controlled by Allah. There are things in human nature which work out involuntarily, like breathing.

﴿وله أسلم من فى السموات والأرض طوعا وكرها وإليه يرجعون﴾

﴿To Him surrender whosoever in the heavens and the earth, willingly or unwillingly, and to Him they will be returned﴾[10]

Allah ordained man to choose between guidance or to go astray in his life and accordingly reward and punishment will be undertaken.

﴿وقل الحق من ربكم فمن شاء فليؤمن ومن شاء فليكفر﴾

﴿Say:(It is) truth from your God. Then whosoever will, let him believe, and whosoever will, let him disbelieve.﴾[11]

Truth is the law of universe. If man follows its path, his life will be guided and organized. On the other side, if he deviates, he will collapse and go astray.

﴿ولو اتبع الحق أهواءهم لفسدت السموات والأرض ومن فيهن﴾

﴿And if the Truth had followed their desires, verily the heavens and the earth and all beings therein would have been corrupted.﴾[12]

Truth is the law of Allah in His creation. Therefore, those who will obey Him will live properly, while who will disobey, will suffer.

﴿فإما يأتينكم منى هدى فمن اتبع هداى فلا يضل ولا يشقى* ومن أعرض عن ذكرى فإن له معيشة ضنكا﴾

﴿But if there come unto you from Me a guidance, then those whose followeth My guidance, he will not lose his way nor fall into misery * But he who turneth away from remembrance of Me, his will be a narrow life﴾[13]

Difference is a law of existence through which harmony can be achieved:

1- *Parity:*

﴿ومن كل شيء خلقنا زوجين لعلكم تذكرون﴾

﴿And of everthing We have created pairs that haply ye may reflect.﴾[14]

The aim of parity is peace and mercy.

﴿ومن آياته أن خلق لكم من أنفسكم أزواجا لتسكنوا إليها وجعل بينكم مودة ورحمة﴾

﴿And of His signs is this He created for you helpmates from yourselves that you might find rest in tranquillity with them, and He ordained between you love and mercy.﴾[15]

2- *Subjectivity*

With the bounty of Allah, the universe is subjected exclusively to serve man. It is full of endowments and prosperity.

﴿وسخر لكم ما في السموات والأرض جميعا منه﴾

﴾And hath made of service to you whatsoever is in the heavens and whatsoever is in the earth; it is all from Him﴿[16]

3- *Acquaintance*

Allah created human beings in different appearances, colors and knowledge, so that this diversification drives to familiarity and acquaintance in the world.

﴿يا أيها الناس إنا خلقناكم من ذكر وأنثى وجعلناكم شعوبا وقبائل لتعارفوا إن أكرمكم عند الله أتقاكم﴾

﴾O Mankind! Lo! We have created you male and female, and have made you nations and tribes that ye may know one another. The most honored of you, in the sight of Allah, is the most righteous of you.﴿ [17]

This is the divine order. Who conforms is guided to the right path while who disobeys go astray. Conflict is an exception to the natural order.

﴿ولو شاء ربك لجعل الناس أمة واحدة ولايزالون مختلفين * إلا من رحم ربك﴾

﴾Save him on whom thy Lord hath willed, He verily would have made mankind one nation, yet they cease not differing * Save him on whom thy Lord hath bestowed mercy﴿[18]

Man in Marxism is subjugated to necessity. The mode of production is the activator of the course of history, determining human relations, emotions and culture. The change in the mode of production generates a new class which interacts with the old one. Spear produced the slavery era, the axe is the sign of feudalism, and the machine stands for capitalism. Man is controlled by determinism which curbs his

spiritual and psychological being and cultural progress! What's an insult posed to human being.

Communism replaced the worshipping of God with the concept of mode of production through the adherence to a paganist (Marx), surpassing the mental backwardness of the ancients who worshipped the sun or any natural phenomenon.

Marxist interpretation of human history enfolds many contradictions and faults. Scientific research didn't prove Marx's premises. On the contrary, they were nullified by historical research of ancient and modern communities. Furthermore, contemporary reality invalidated the deterministic theory. For instance, when the Soviet revolution executed the principle of equal wages, idleness and decline in production prevailed, which led to the reconsideration of disparate income. They replaced the property incentive with an iron fist rule, oppression and terror, i.e. the dictatorship of the proletariat. In addition, Marxism speculated that communism will rule the capitalist states which are more investing to their capitals. However, it has been executed in the least capitalist countries through upheaval and conspiracy under Lenin's leadership in Russia. Therefore, their theory of history is just a pretext of events vulnerable to continuous change in a sense of illusion and misunderstanding.

Any researcher objectively studying history will find that all flourished civilizations were founded messengers of Allah and regulated by the revelation which He descended. When people deviate from religion, ignorance, superstition, oppression and despotism are spread out on earth.

Studying Islamic history, materialistic interpretation of history proved useless. Prophet Muhammad and his companions were people exalted of the mundane world but rather surpassing it by their indulgence in hoisting the supremacy of the word of Allah. Money and sovereignty were offered to the Prophet in return of his conversion, but he refused. Also, de-

spite persecution and harassment, he kept on fighting for the ascendancy of Islam. Entire families like that of Yasser were tortured to death in order to disbelieve in Islam but they were martyred. Sohaib, one of the rich companions, was another example. When the disbelievers asked him to choose between remaining with them in Mecca or granting them his wealth if he insisted on emigration to Prophet Muhammad in Medina, he graciously sacrificed all his wealth for the sake of Allah. Where is the material motive behind these examples?

Sound thinking and self-disciplined people believe in the Book of Allah which sets forth principles for an Islamic state. At the political level, the Islamic system was based on *shura* (consultation) when the world was indulged in despotism and enslavement. At the social level, Islamic egalitarianism posed that there is no difference between races and colors, when the world was immersed in racial bloodshed. At the economic level, it prohibits illicit acquisition of money through usury, aleatory and monopoly. The poor have the right in a fixed amount of the rich people's wealth, i.e. alms, when the ruler had the right to collect all the money of the nation, disregarding the impoverished. If you contemplate and compare the Islamic systems to the contemporary capitalism and socialism, you will find it miraculous, if it is compared to oppressions and discriminations of the modern systems.

Wealth is nothing but a work exerted to transfer nature as a grace from Allah into beneficial capitals, or storing work. The latter, like the actual work, deserves a portion of the return if it contributes in the productivity process. Likewise, through his work, man is freed from the humiliation of dependency in his future. Material assets of society are, therefore, secured from heedlessness and squandering, encouraging reconstruction and development.

Islam permitted private property on a condition that it is exempted from oppression and exploitation.

﴿يا أيها الذين آمنوا لا تأكلوا أموالكم بينكم بالباطل إلا أن تكون تجارة عن تراض منكم﴾

﴾O ye who believe! squander not your wealth among yourselves in vanity, except it be a trade by mutual consent﴿ [19]

Islam protected property polishing on it the state of sacredness exactly like one's self. Prophet Muhammad says: "Any person's wealth is not permitted unless he willingly accepts."[20]

The late eighties witnessed the decline of Marxism which ended up into a starving nation, full of gangsters selling everything even nuclear items. Marxist dreams were torn away, as the communist people returned to the demands of human nature exemplified in property and profit. They started to reject all illusions and misleading of Marx, which they consider the reasons for their backwardness and astray.

We could have stopped at the aftermath of Marxist socialist system. In spite of their hatred and affliction to socialist rule, there are people who forget, others don't understand and a third group obstinately continue the road of anguish. Therefore, it is essential to show fallacies in order to avoid being deceived.

The Failure of Liberal Socialism

Liberal socialism stands at the spectrum between capitalism and Marxist socialism. On one hand, it shares the private sector in the free vocational choice, consumers power, price reference in directing production, and privatizing productive sources. On the other hand, an important sector of the mode of production is owned by the state, relying on centralization in management. The extent of state ownership is disparate from one country to another. It might be limited so it draws

nearer to capitalism, or the state controls an expansive section of production, so leaning toward the other extreme, i.e. Marxism. This is represented in the Third World by the public sector.

According to the World Bank's *Development Report* (1988), toward the end of the seventies and early eighties, a state of restlessness prevailed among both developed and less developed countries concerning the expansion of the public sector. They considered that sluggish economic growth, accumulated savings and private investments, inflation increase, manifold deficits in balance of payments, vast debts burden, continual poverty and to some extent unemployment, all were the outcome of the excessive growth of public sector. Previously, such deficiencies had been the product of international events uncontrollable by individual countries. Likewise, being incapable, the Third World countries had weakly adjusted to these events. Centralized economic planning witnessed, in the late seventies, a transitional point. The role of government in economic development was regarded useless. In the eighties, many countries embarked on the idea of market economies, surpassing private interest over public sector. Delving through the classical liberal roots of the economic term of private interest, it was asserted that individuals were equal, whether inside or outside the government, having power over resources in hands to achieve their own interests, and compensating for the abstract concept of public interest. Although private interests enhance efficient allocation of resources under competitive market conditions, this is not made public once individuals monopolize governmental authorities for their private benefits. Many of the bureaucrats and others benefit from the expenditure of developing governments. Therefore, assuming the essential role of government, as a supplier of public goods, entails careful lim-

its; otherwise, the quality of the supplied goods and services, whether public or private, will be degraded.[21]

While the thrust in the sixties was toward socialism, it is directed in the eighties toward capitalism. In order to assist host countries, the International Monetary Fund (IMF) and the International Bank for Reconstruction and Development (IBRD) stress on the diversion from the public sector to privatization.

For instance, in Egypt the public sector emerged in the sixties. Its marketed value reached almost L.E.160 billion in 1993. The operation of this sector involved a complicated network of ministries, firms, authorities, organizations and departments, among which were: 33 ministries covering all sectors and activities, 74 governmental administrations or departments, 67 public service authorities, 51 economic public authority, and 234 units or administrations associated to provinces, encompassing about four millions employees. Also there was a huge network of 400 establishments, one-fourth of which constitutes the industry sector. The public sector embraced 100% of wholesale trade of major goods, 100% of insurance activities, 90% of banking, business sector and transportation. In addition it represented 75% of the public investment sector, 86% of exports, 30% of the national products and 70% of industrial production.

The drawbacks of this approach can be summarized in the following:

1. Maximum losses or corruption in the units of public sector do not stop the persistent operation of such units. Unlike private units, they continue to hinder the national economic development.
2. The control of public sector over the national economy narrowed down investment opportunities as:
    a) Capitals were smuggled abroad.

b) Savings were directed to invisible or illegal investments.

c) The accumulation of external debts led productive investment to exceed savings; improper conduct prevailed such as the evasion from paying taxes, the use of bribery, goods smuggling, and negative investment in trade and real estate.

3. The class which benefits from such corruption and carelessness formed a hampering force against reform and improvement; thus, the masses continued to suffer while the rich people augmented their wealth.
4. The economic structure was distorted as in foreign trade, exchange rates, and investment laws.
5. A state of confusion emerged in the pricing system and allocation of resources according to the calculated and subsidized prices, which perplexed the economic decision and harmed resource allocation.
6. Deterioration and backwardness were obvious in mechanization, innovation and research.
7. The disguised unemployment increased in factories as reflected in the total cost of a commodity.
8. There were a shortage in some national demands, and a surplus of a commodity representing accumulated stock.
9. The subsidies provided to the poor benefited only the rich and brokers. Social care resulted in a conspicuous increase in education through private lessons. Health care in governmental hospitals, which cost the state more than L.E.13 billion a year, declined to a perilous level.
10. A deficit was apparent in the budget to finance the losses which amounted 15% of the national product, while relying on printing money. As a result, inflation was accelerated to reach an annual rate of 25%. Consequently, a decrease in exports and increase in imports led to unstable trade balance, aggravating foreign and local debts to peril degrees.

Thus, the state was politically vulnerable to threatening political predicament, high unemployment rates and other social pressing problems.

Under such circumstances, since the early nineties Egypt has been undergoing a transformation in its economic policies, from public sector to privatization, from central planning to one of decentralization, and from a general restriction of prices to their liberalization. The reason behind such adjustment is to achieve a financial balance in the government budget, liberating the economy from the chains of stagnation.

It is inferred, therefore, that the maximum efficiency of the socialist system ends up in failure, because its estimations of its cost accountings were not accurately calculated which in turn impeded a proper economic decision. Without property and profit, propellers of the market economy, there won't be a spontaneous growth nor incentive for innovation and change.

When society loses respect of private property, chances for profit are narrowed down, people acquire unsatisfactory wages, the impetus for production disappears, apathy prevails and sometimes a destructive desire emerges. The outcome was that people in the socialist realm became equal but in poverty and deprivation.

Private ownership and profit motivate challenging businessmen to compete, innovate, change and satisfy the consumers demands, so the whole system covers all masses, whether producers or consumers. They distribute income budget on meeting the demands, and capital on production with least expenses. Thus, the consumer is the master who steers the helm of production through demands, high prices and increasing the profit of producers. Calculation of economic costs plays an important role in rationalizing productive inputs, and efficient resource allocation on the country level. In this situation, it is impossible that the huge numbers of people can be replaced with a number of planners to shoul-

der the burden of complicated calculations. In addition, any undesired commodity can not be imposed on consumers, nor resources be misused, so raising the national costs and diminishing the real growth rate of production.

In his book, *The Principles Of Economic Planning*, Arthur Lewis elucidated that the failure of the socialist economic model was due to its central planning or planning by direction. He spelled out the following reasons:[22]

1. The central planner, who issues the directions, ca not hope to see and provide for all the consequences of his actions. The economic system is exceedingly complex. If you plan to increase the output of watches you must at the same time plan to increase the output of everything complementary to watches, i.e. everything used with watches or in making watches, and to reduce the output of all substitutes for watches and the constituents of substitutes. Now no single person can make a complete list of all the complements and substitutes of watches, or decide what will be all the economic effects of having more watches...It is because of this complexity that the fulfillment of plans by direction is always so unsatisfactory. Thousands of engines are produced, but they have to be stored through shortage of ball bearings or of screws. In planning by direction the result is always a shortage of some things, and surplus of others.
2. Planning by direction has to be inflexible. Once the planners have made the thousands of calculations that are necessary to fit the plan together, and have issued their directions, any demand that any of the figures be revised is bound to be resisted.
3. As the plan proceeds fulfillment is bound to be imperfect-even if the plan was perfect when it was

made, conditions change. Firm X has been given a permit to buy coal; but there has been a strike, or an accident, or bad weather, and it cannot get its allocation of coal. It therefore wants to buy oil, but the oil has all been allocated, and a complete reallocation of oil is too big a job to undertake at short notice...This has had, in most centrally planned economics, the curious consequence that the plan works smoothly only because it is supplemented by black markets in which firms can adjust themselves to changing conditions.

4. To the inflexibility and errors of planning by direction we must add its tendency to be procrustean. It is hard enough to step up the output of watches if there is only one kind of watch; if there are two kinds of watch it is more than twice as hard, and it gets progressively harder the more different types of watch there are. Central planners in consequence are more tempted to excessive standardisation, not because they think that standarisation is good for the public, but because it simplifies their job. Standarisation is frequently an engine of progress; but it is also frequently the enemy of happiness, and in foreign trade it is in many lines fatal to success.
5. Related to this is the stifling effect of direction on enterprise... None of this (outcome of the enterprise execution) can be foreseen, and so none of this can be planned from the centre. The future of the country depends on bold and free entrepreneurship; on people with new ideas being free to back them against all opposition, to get what resources of capital, labour and raw materials they need without bureaucratic hindrance, and to test out the market for themselves.(without) any form of planning

which prevents this permanently, or for long periods.

6. And finally, the more one tries to overcome the difficulties of planning by direction, the more costly planning becomes in terms of resources. We cannot plan without knowledge, so we must have elaborate censuses, numerous forms and an array of clerks. We cannot issue thousands of licences rapidly without thousands of clerks. The better we try to plan, the more planners we need.

Socialism also failed socially and politically. The governmental control of production invokes dictatorship and perpetuates the anguish of masses. To be the biggest producer, owner and renter enforces the state to rule oppressively involving persecution and terror. Accordingly, the participation and interaction of the masses disappeared to be replaced with apathy and hatred. Communist regimes swayed in a ruthless manner full of harassment, killing, expulsion and fear, e.g. Stalin's dictatorship. This is a natural end; the more absolute the power is the more absolute is the tyranny. Hence, destruction becomes faster than construction, breeding catastrophes and crises.

Basics of The Islamic Economic System

Traced previously is the impeded immoral freedom of capitalist economics which led to usurping money in vanity, while the impoverished are deprived from subsistent care. Capitalist economies are, hence, vulnerable to stagnation and troubles. On the other extreme, we have seen how the socialist abolition of property and profit ended in an economic breakdown. Nations up till now are alternating between capitalism and socialism, or mingling them up. No one attempts to

explore a new system which will overcome moral and institutional defects.

Islamic economics is characterized by being a motivator of material creativity as embraced by religious values. Economic development and prosperity in Islam are conditioned by Allah's obedience, rather human arrogance and futile living, which result in omnipotence and violence.

﴿أتبنون بكل ريع آية تعبثون* وتتخذون مصانع لعلكم تخلدون* وإذا بطشتم بطشتم جبارين* فاتقوا الله وأطيعون﴾

﴿Do ye build a landmark on every high place for vain delight* And seek ye out strongholds, that haply ye may last forever* And if ye seize by force, seize you like men of absolute power* Now fear Allah and obey me.﴾[23]

The relation between faith and good deeds is an organic unseparated one. The Quran gave us an example of that in the Story of Shu'aib; when he warned his people not to associate anything in worshipping Allah, he related that to fair in dealings that do not undervalue the rights of people. His people were surprised from his intervention in their traditional prayers which they inherited from their ancestors as well as his warnings concerning their free commercial transactions, although fraudulent. We can deduce from this story that just dealings is the fruit of monotheism, while eating up money in vanity is the outcome of polytheism.

﴿وإلى مدين أخاهم شعيبا قال يا قوم اعبدوا الله مالكم من إله غيره ولا تنقصوا المكيال والميزان إني أراكم بخير وإني أخاف عليكم عذاب يوم محيط* ويا قوم أوفوا المكيال والميزان بالقسط ولاتبخسوا الناس أشياءهم ولا تعثوا في الأرض مفسدين* بقيت الله خير لكم إن كنتم مؤمنين، وما أنا

عليكم بحفيظ* قالوا:يا شعيب أصلاتك تأمرك أن نترك ما يعبد آباؤنا أو أن نفعل في أموالنا ما نشاء إنك لأنت الحليم الرشيد* قال: يا قوم أرأيتم إن كنت على بينة من ربي ورزقني منه رزقا حسنا وما أريد أن أخالفكم إلى ما أنهاكم عنه إن أريد إلا الإصلاح ما استطعت وما توفيقي إلا بالله عليه توكلت وإليه أنيب﴾

﴿To Madyan (we sent) their brother Shu'aib. He said "Oh my people worship Allah. Ye have no other God but Him! and give not short measures and weight; I see you in prosperity, but I fear for you the doom of the besetting Day * And O my people ! Give full measure and weight in justice, and do not withhold from the people the things that are their due. Commit not evil in the earth, causing corruption * That which is left by Allah is the best for you, if you are believers; and I am not set over you to keep watch.* They said: O Shu'aib! does your prayer (religion) command yo that we leave off the worship which our ancestors practised, or that we leave off doing what we like with our property? Truly, thou art the one that forebeareth with faults and is right-minded!*He said: O my people ! bethink you: if I am (acting) on a clear proof from my God and He endowed me with fair sustenance (how can I concede aught to you?) I wish not to oppose you to do that which I forbid you to do. I only desire (your) betterment to the best of my power; and my success (in my task) can only come from my God. In Him I trust, and unto Him I look.﴾[24]

This is the criterion of civilization in Islam. The Western countries are not considered civilized once they practice monopoly, usurp money in vanity, and deplore morals and religion. Similarly, socialist practices are not civilized as long as they deprive people from their right of private ownership and profit, ruling them with iron and fire, and disbelieving in

God. Furthermore, Muslims are not civilized as well if they deviate from their faith, disobey Allah, or if they become underdeveloped and stop to seek from Allah's bounty. Prophet Muhammad says:

> "O emigrants (from Mecca to Medina)! there are five traits constitute an affliction, if they existed among you, I seek Allah's protection that they will not. These are: if lewdness publicly appeared among certain nation, its people will suffer from agonies that have not prevailed among their ancestors; if unjust measures and weights were sought, people will perennially be inflicted with deprivation and oppression; if alms were withheld, the sky will not rain a drop of water, had it not been for animals; if the oath of Allah and His messenger is deserted, an external enemy will rule such people exploiting what they have in hand; if the leaders do not rule with what is in the Book of Allah, wretchedness will reside in them."[25]

In order to facilitate the understanding of the detailed operation of Islamic economics, we will present the major principles on which the Islamic economic system is established.

1- *The Belief*

Human rational thinking is always occupied with the search for the secrets of life and our mundane world. Thus it strives for answers to ever-lasting questions on the world reality and the purpose of mankind. That is why the Holy Quran paid great attention to the divine reality and scenes of the Hereafter, providing a methodology for righteous deed which reforms life and universe.

The belief in Allah is the platform of the right knowledge and good deeds, since He is the one who created the world and ordained its action, the same as His creation of human beings, prescribing how they ought to behave. Accordingly,

who knows Allah can conceive the truth and be guided to rationality, whereas who does not know Allah, his knowledge is incomplete dealing with superficialities and cannot contemplate the essence. Knowing Allah transcends man's human limitations to the spacious universe, and from his short lifespan to eternity.

Based on this conception, the verses of the Holy Quran which depict existence and history are related to Allah's knowledge and His wisdom to show in the end the reality of the mighty Creator and Commander.

﴿لله ما في السموات والأرض، إن الله هو الغني الحميد* ولو أن ما في الأرض من شجرة أقلام والبحر يمده من بعده سبعة أبحر ما نفدت كلمات الله إن الله عزيز حكيم *ما خلقكم ولا بعثكم إلا كنفس واحدة إن الله سميع بصير* ألم تر أن الله يولج الليل في النهار ويولج النهار في الليل وسخر الشمس والقمر كل يجري إلى أجل مسمى وأن الله بما تعملون خبير* ذلك بأن الله هو الحق وأن ما يدعون من دونه الباطل وأن الله هو العلي الكبير﴾

﴿To Allah belong whatsoever is in the heavens and earth; verily Allah is free of all wants worthy of all praise * If all the trees on earth are pens, and the sea with seven more seas to help it were ink, yet would not the words of Allah be exhausted, for Allah is exalted in power, Full of Wisdom * And your creation or resurrection is no wise but as an individual soul; for Allah is He who Hears and Sees (all things) * Hasty thou not seen how Allah causeth the night to pass into the day and causeth the day to pass into the night, and hath subdued the sun and the moon (to His Law) each running its course for an appointed term; and that Allah is well acquainted with all that ye do* That is because Allah is the (only) Reality, and

because whatever else they invoke beside him is Falsehood, and because Allah is the Most High, Most Great)[26]

Ibn Al-Qaim Al-Gozia (died 751A.H.) said:

"I bear witness that there is no God but Allah and He is the only God with no partner. Through His words the heavens and earth were created. For such words all the living beings were created, and through them Allah sent His prophets; books were revealed and His law was mandated. Measures and archives were set. Then heaven and hell were founded to divide people into believers and unbelievers, pious and sinful. It is the mundane world, the origin of creation. The issue is reward and punishment, the truth for which the world was created. On its rights questions and judgment will take place to prescribe the reward and punishment. For it the direction for prayer was posed and religion founded. Swords were prepared for its defense, *jihad*, Allah's right upon all believers; it is the word of Islam and the residence of peace. Everybody will be asked about that, the first and the last, as on death, man will be asked about two issues: what did you worship? and how did you response to messengers? The answer of the first is to realize the word no God but Allah through knowledge, affirmation and action. The answer of the second is to realize that Muhammad is the Messenger of Allah through knowledge, affirmation, submission and obedience"[27]

Inevitable to the belief in Allah is the belief in the Hereafter, an extension of the mundane world, where reward and punishment will be immortally carried out. Hence, the belief in the other world is associated with the belief in Allah. Faith in its real domain cannot merely embrace the relation between the existence and Creator without encompassing the relation

between man's actions and reward. This is the logic behind Allah's creation of life and the universe.

﴿وإن تعجب فعجب قولهم أإذا كنا ترابا أإنا لفى خلق جديد أولئك الذين كفروا بربهم وأولئك الأغلال فى أعناقهم وأولئك أصحاب النار هم فيها خالدون﴾

﴿And if thou wonderest, then wondrous is their saying: When we are dust, are we then forsooth (be raised) in a new creation? Those are who disbelieve in their God; those have fetters round their necks; those pertain to Hell, they will abide therein﴾ [28]

Therefore, any science or knowledge not founded on such premises is considered incomplete. Allah describes the adherents of such short conception by saying:

﴿وعد الله لا يخلف الله وعده ولكن أكثر الناس لا يعلمون * يعلمون ظاهرا من الحياة الدنيا وهم عن الآخرة هم غافلون﴾

﴿It is a promise of Allah. Allah faileth not His promise, but most of mankind know not * They know only some appearances of the life of mundane world, and are heedless of the Hereafter﴾[29]

Deeds not based on this fact are most probably destined to failure, since loss, conflict and misery are harvested.

﴿قل هل ننبئكم بالأخسرين أعمالا* الذين ضل سعيهم فى الحياة الدنيا وهم يحسبون أنهم يحسنون صنعا * أولئك الذين كفروا بآيات ربهم ولقائه فحبطت أعمالهم فلا نقيم لهم يوم القيامة وزنا﴾

﴿Say: Shall we tell you of those who lose most in respect of their deeds? * Those whose efforts have been wasted in this life, while they thought that they were rightful by their works? * They are those who deny the signs of their God and the fact of their having to meet Him (in the Hereafter): vain will be their works, nor shall We, on the Day of Resurrection, give them any weight﴾ [30]

The best human behavior is that which substantially carries the conviction of the Hereafter as the real eternal life, which in turn renders the mundane world its actual position of being the site of the transitory ending life. Therefore, the earthly life will be subjugated to serve the perpetual other world, not vise versa.

Here the devoted believer is capable of and keen on overcoming malignant livelihood, even if it is very provoking, because he is sure that it engenders nothing but anguish and suffering. Conforming to the Prophet's message and teachings, the believer's worldly behavior is dedicated to his other life, which does not constitute a conflict with a comfortable living in the mundane world. The Quran associated righteousness with good and pure livelihood.

﴿من عمل صالحا من ذكر أو أنثى وهو مؤمن فلنحيينه حياة طيبة ولنجزينهم أجرهم بأحسن ما كانوا يعملون﴾

﴿Whoever works righteously, whether man or woman, and is a believer, We endow them a good and pure living, and We will bestow on such their reward according to the best of their deeds﴾ [31]

Religious values are complementary to laws of nature in realizing prosperous life.

﴿ولو أن أهل القرى آمنوا واتقوا لفتحنا عليهم بركات من السماء والأرض ولكن كذبوا فأخذناهم بما كانوا يكسبون﴾

﴿If the people of the towns had but believed and feared God, We should indeed have opened out to them (all kinds of) blessings from heaven and earth; but they rejected (the truth) and We brought them to book for their misdeeds﴾ [32]

Toynbee was right when he predicted that the prevalence of licentiousness and corruption in the contemporary Western civilization will lead to its decline as what had happened previously with the fall of Rome. Indeed, sins annihilate nations exactly like epidemics.

﴿ألم يروا كم أهلكنا من قبلهم من قرن مكناهم في الأرض ما لم نمكن لكم وأرسلنا السماء عليهم مدرارا وجعلنا الأنهار تجرى من تحتهم فأهلكناهم بذنوبهم وأنشأنا من بعدهم قرنا آخرين﴾

﴿Don't they see how many of those before them We did destroy? Generations We had established on earth, in strength more than what We empowered you. For them We poured out rain in abundance from the sky, and (fertile) streams flowing beneath their (feet): Yet for their sins We destroyed them, and raised in their wake fresh generations(to succeed them).﴾ [33]

The believers' rearing according to the belief in Allah and the Hereafter is reflected in their proper worldly manner of piousness and benevolence. The selfish and greedy love of the mundane world is washed out from their souls to be replaced with generosity and philanthropy. The world is a means not an end to obey Allah.

﴿وابتغ فيما آتاك الله الدار الآخرة، ولاتنس نصيبك من الدنيا، وأحسن كما أحسن الله إليك، ولا تبغ الفساد في الأرض، إن الله لا يحب المفسدين﴾

﴾But seek the abode of the Hereafter in that which Allah hath given thee and neglect not they portion of the world, and be kind even as Allah hath been kind to thee, and seek not corruption on earth. Allah loveth not corrupters﴿ [34]

Prophet Muhammad overwhelmed Hakim Ibn Gozam with money; then Hakim asked for more, so the Prophet gave him to the extent that he couldn't carry it. The Prophet looked at him and said: "This money is like sweet green if acquired with purity in soul it is blessed, while if it is acquired with greediness, it is not blessed, as if (the individual) eats without satisfaction. The upper hand is better than the lower hand." Hakim asked: "O Prophet of Allah with truth that God sent to you I will not ask anybody after you until I die."[35]

Moreover, in his teachings, Prophet Muhammad narrated a strong lesson that a man bought a house from another. After buying it he found a pot full of gold, so he told the seller 'take your gold I have bought your house only'. The other replied 'but I sold you the land with all it carries.' They went to a third person to arbitrate. The third said 'do you have children? One replied 'I have a boy' and the other said 'I have a girl'. So the arbitrator said 'marry them and disburse the expenses and donate for charity.'[36]

This story shows how good financial dealings should take place. The buyer felt it illicit to have wealth not agreed upon, as it might be earned illegally so it would pollute his money and cause him self-conscience torment. The seller thought that it was the right of the buyer to have this wealth, so he doubted that taking it from him was misusing the buyer's right, as he wanted to take his right only.

All the teachings of messengers and the first books are posed toward this one truth.

﴿قد أفلح من تزكى * وذكر اسم ربه فصلى * بل تؤثرون الحياة الدنيا * والآخرة خير وأبقى * إن هذا لفي الصحف الأولى * صحف إبراهيم وموسى﴾

﴿But those will prosper who purify themselves * And glorify the name of their God and prays * But you prefer this mundane world * But the Hereafter is better and more enduring * And this is mentioned in the First Books (revelations) * That of Abraham and Moses.﴾ [37]

The Quranic verses regulating the nation's economy start with a call for fearing and obeying Allah and end with a warning from Allah's reckoning on the Day of Judgment.

﴿ياأيها الذين آمنوا اتقوا الله وذروا ما بقي من الربا إن كنتم مؤمنين* فإن لم تفعلوا فأذنوا بحرب من الله ورسوله وإن تبتم فلكم رءوس أموالكم لا تظلمون ولا تظلمون * وإن كان ذو عسرة فنظرة إلى ميسرة وأن تصدقوا خير لكم إن كنتم تعلمون * واتقوا يوما ترجعون فيه إلى الله ثم توفى كل نفس ما كسبت وهم لا يظلمون﴾

﴿O ye who believe! fear Allah and give up what remains of your demand for usury , if ye are indeed believers * If ye do it not, take notice of war from Allah and His Messenger. But if ye stopped (seeking usury), ye will have your capital sums, deal not unjustly, and ye shall not be dealt with unjustly * If the debtor is in difficulty grant him time till it is easy for him to repay. But if ye remit it by way of charity., that is best for you if you understand * And fear the Day when ye shall be brought back to Allah. Then every soul will have according to what it earned and none shall be dealt with unjustly.﴾ [38]

Similarly, legislation and arbitration in Quran are enveloped in the light of the belief in Allah and the Hereafter.

﴿فإن تنازعتم في شئ فردوه إلى الله والرسول إن كنتم تؤمنون بلله واليوم الآخر﴾

﴿If ye differ in anything among yourselves, refer it to Allah and His Messenger, If ye do believe in Allah and the Hereafter﴾ [39]

According to this rule, human freedom is achieved. Through faith man believes that Allah is the Propitious and the Distresser. He fears no one but Allah and will not accept to be humiliated to earn his living. The belief in the Hereafter entails a wide range of action without enforcement or any compulsion. Being responsible of his deeds ensures the biggest amount of freedom in order to strive for the best reward. The Islamic law secures his money, honor, and blood from any aggression beside his support to the poor via alms. The latter too protects and insures his freedom.

The economic system stems out from this principal trunk. When we get closer to it, we feel the contemporary crisis with all its dimensions where the cultural heritage and modern culture converge. Accordingly, what should be clearly elucidated, therefore, is that the Islamic economic system is not a positive science, despite its rules being similar to other sciences. It is different in the following points:

First: It does not stop at the descriptive limitation of what is being but it involves what ought to be. Thus it is a purposeful science.

Second: Since its relation is indispensable to the other laws of nature which order life so it cannot be detached from moral and belief systems.

Third: Since it is related to the Islamic law which organizes all the ways of living, it is indulged in the rules of what is lawful

and forbidden in earnings and expenditure according to the Book of Allah and the Prophet teachings. This is the subject of justice.

2- *Justice*

Prophet Muhammad says: "Allah gave a similitude of a straight path. On its two sides walls with open-doors covered with loosen curtains. At the gate of the path, a person calling 'O People come to this path but do not deviate.' Whenever anyone wants to unveil any of the curtains to enter through the doors, another person standing on the path says: 'Take care don't open, once you open you will enter it.' The path stands for Islam, the walls on the two sides are the restrictive ordinance of Allah, the opened doors are forbidden conduct prescribed by Allah, the person standing at the gate of the path is the Book of Allah, and the other one on the path is the preacher in the heart of every Muslim."[40]

This straight path guides people to be just, since deviating means violate the restrictive ordinance of Allah and eventually fall in the forbidden. Thus, justice is one of the pillars of the belief system.

﴿لقد أرسلنا رسلنا بالبينات وأنزلنا معهم الكتاب والميزان ليقوم الناس بالقسط﴾

﴿We sent aforetime Our Messengers with clear proofs and sent down with them The Book and the balance (of right and wrong) that people may stand forth justice﴾[41]

﴿والسماء رفعها ووضع الميزان* ألا تطغوا فى الميزان* وأقيموا الوزن بالقسط ولا تخسروا الميزان﴾

﴿And the sky He has uplifted, and He has set up the balance (of justice) * in order that ye may not transgress (due) balance

* So establish weight with justice and fall not short in the balance)[42]

Ibn Al-Qaim points out that:

> "Once Allah ordained man to follow a certain behavior, Satan bedevils him through two ways, either to attract him toward negligence to the extent of squandering, or toward exaggeration and excessiveness, while the religion of Allah stands in the middle neither shunning nor exaggerating. This is guidance between two lost tracks, like a valley between two mountains. That is to say whether the subject is neglected, being short of what should be done, or overestimated, exceeding the restrictions, both render the same result, namely, failure." [43]

The economic system stems from the general features of the Islamic way of living. Although the implementation of the divine imperative in Islam is based on reality, it elevates man to uppermost ideals. Thus, realism and idealism are spread out in Quran and the Prophet teachings. The Muslim strives for applying what he can do, as no one endures what he cannot, or is deprived of doing what he can do. The implementation of the divine imperative is addressed to all mankind to

﴿فاتقوا الله ما استطعتم﴾

(Fear (and keep duty to) Allah as best as you can)[44]
and to those aspiring to exalted higher ranks,

﴿يأيها الذين آمنوا اتقوا الله حق تقاته﴾

(O who believe observe your duty to Allah with the right observance)[45]

This approach is woven into the faith, worship and dealings, on the individual, group and national levels. It can foster those with limited capabilities as well as those yearning to-

ward idealistic implementation in an attempt to reach divine light.

It is given that man has necessities and instincts, as well as spiritual aspirations. If we take money as an example, we find that man by nature loves it immensely; as Allah says

﴿and violent is his love of wealth.﴾[46] ﴿وإنه لحب الخير لشديد﴾

In this situation, Islam, dealing with this innate love while unifying members of society by caring for the poor, prescribes alms as a minimum realistic level of financial contribution which the individual can acceptably pay. Afterwards, the individual is free to spend more than the defined alms on a condition that the demands of his family are met.[47]

The just measures in Islam are exemplified in setting a subsistence standard of living; if exceeded alms should be paid. However, in spite of alms spent by the rich, it is the responsibility of the state to offer such standard of living to all Muslims. Besides, the rich are permitted to increase their wealth but according to restrictions which curb them from becoming tyrannical, by disregarding their poor fellows.

﴿كلا إن الإنسان ليطغى * أن رآه استغنى﴾

﴿Nay, but man doth transgress all bounds* in that he looketh upon himself as self-sufficient﴾[48]

To confine human tyrannical thrust, Islam prohibited usury, monopoly and eating up money in vanity.

Going into details for illustration, we will discuss three patterns:

a- Matter and Spirit

b- Worship and Dealings

c- The Individual and the Group

a- Matter and Spirit

There are two extreme approaches accentuating civilization. One leaning toward materialism only reinforced by provoking the loving instincts of women, children, money, land, etc. The second extreme focuses on the internal subject of civilization, i.e. spiritualism, a monasticism which rejects materialistic enjoyment.

The prevalence of the first extreme directs civil development toward machinery and construction in lavishness and luxuriousness, which coincide with more wars, severe conflicts and immoral epidemics. As a result, the lives of people become barren, losing philanthropic meanings of mercy and kindheartedness. Family relations became weakened leading to individualism and selfishness, blood relations are mingled, and women are getting more masculinized. By idolizing matter which turned out to be the aim of life, people are living in chaos and misery. They are steered toward malignancies, to seek consolation, which again destroy them, and increase their misery.

On the contrary, ignoring the body and senses, the spiritual approach shuns material life. As a consequence, civilization declines, halting the development of human thought; and dynamic life is stagnated. Under such atmosphere, the material human needs rebel, going to the other extreme to overcome the weak negative infertile life. This is what happened in Europe during the enlightenment and renaissance era as people revolted against church and religion which led to the withdrawal of religion from everyday life, leaving it without guidance. Despite its withdrawal from the mundane world, religion continues to be assaulted and refuted, after seemed incapable to interact with life. Eventually, materialism overwhelms modernization.

Islam considers the interjection of spiritual needs basic in planning. Thus, in constructing an industrial compound or

trade market, the mosque stands aside the factory or storehouse. When the merchant is washed up by the five-time prayers, he merges in society with merciful, truthful and just character. Without prayers, the market would be transformed into a jungle of falsehood, struggle, and dishonesty, as man is ground by the mills of daily material life, forgetting Allah. However, Allah says:

﴿في بيوت أذن الله أن ترفع ويذكر فيها اسمه يسبح له فيها بالغدو والآصال* رجال لا تلهيهم تجارة ولا بيع عن ذكر الله وإقام الصلاة وإيتاء الزكاة* يخافون يوما تتقلب فيه القلوب والأبصار﴾

﴿(Lit is such Light) in houses, which Allah hath permitted to be raised to honour; for the celebration, in them of His name: in them is He glorified in the mornings and evenings (again and again) * By men whom neither traffic nor merchandise can divert from the remembrance of Allah, nor from regular prayer, nor from the practice of regular charity: Their (only) fear is for the Day when hearts and sights will be transformed (in a world wholly new)﴾ [49]

Therefore, we find a unique scene commanded by Islam of closing stores and stopping commercial activities when Friday prayers are called for. After prayers people spread out to pursue their own affairs always remembering Allah in order to prosper.

﴿يا أيها الذين آمنوا إذا نودى للصلاة من يوم الجمعة فاسعوا إلى ذكر الله وذروا البيع، ذلكم خير لكم إن كنتم تعلمون* فإذا قضيت الصلاة فانتشروا فى الأرض وابتغوا من فضل الله واذكروا الله كثيرا لعلكم تفلحون﴾

﴿O ye who believe! when the call is proclaimed to prayer on Friday (the day of assembly) hasten earnestly to the remembrance of God, and leave off business (and traffic): that is best for you if ye but knew* and when the prayer is finished, then

may ye disperse through the land and seek of the bounty of Allah; and celebrate the praises of Allah often (and without stint): that ye may prosper.﴾ [50]

Under this conceptualization, we refuse the logic of the economic man who does not differentiate between good and bad in earning, and his most concern is satisfaction, seeking casual desires despite injury. Only recently it has been proven that the swine meat causes diseases. Similarly, alcoholic drinks disturb the digestive system. Who knows if future discoveries may further match with all Islamic tenets.

Do we have to leave the identification of an economic commodity according to the people demand even if the commodity is a kind of cigarettes or drugs? Is it really a righteous state that allows its citizens to damage their money, brains and selves? Do we have to wait until a commodity is discovered to be hazardous? Even if so, many people are addicts due to their whims, although they know the extent of jeopardy they are confronting.

In order to define the utilities and benefits, they should, with all means, be related to divine imperative of what is lawful and forbidden, since Allah is the only one capable of determining the utility of His creation.

﴿وعسى أن تكرهوا شيئا وهو خير لكم، وعسى أن تحبوا شيئا وهو شر لكم والله يعلم وأنتم لا تعلمون﴾

﴾It is possible that ye dislike a thing which is good for you, and ye love a thing which is bad for you. But Allah knoweth and ye do not know.﴾ [51]

Every commodity has benefit even if it is extremely harmful, but usually forbiddance is carried out on what is substantially hazardous like alcoholics.

﴿يسألونك عن الخمر والميسر قل فيهما إثم كبير ومنافع للناس وإثمهما اكبر من نفعهما﴾

﴿They ask thee concerning wine and gambling, say in them is great sin and some utility for people, but their sin is greater than their usefulness﴾ [52]

﴿إنما يريد الشيطان أن يوقع بينكم العداوة والبغضاء في الخمر والميسر ويصدكم عن ذكر الله وعن الصلاة فهل أنتم منتهون﴾

﴿Satan seeketh only to cast among you enmity and hatred by means of alcoholics and gambling and to turn you away from remembra b-
stain﴾ [53]

The middle approach is the best, neither overestimating matter r-
tance of the spirit as a factor of civilization. The middle suits human nature, as Allah created us from clay balanced between instincts which relate us to matter and then into the clay He breathed the spirit which relate us to spiritualism, eventually to Allah. No one can pursue spiritual growth ignoring his necessities, nor concentrate on his necessities neglecting the spirit. Overdoing whether toward negligence or exaggeration, is a narrow rational sought in this issue. Likewise, this state appears in the form of conflicts, i.e. material conflict between people, or soul/body conflict in monasticism. However, the right form is in the middle which leads to cooperation, integration and unity rather than conflict.

Islam prohibited monasticism considering work in the mundane world, in itself, a kind of monasticism. Ibn Al-Qaim comments on the Quranic verse,

﴿وجعلنا في قلوب الذين اتبعوه رأفة ورحمة ورهبانية ابتدعوها ما كتبناها عليهم إلا ابتغاء رضوان الله فما رعوها حق رعايتها﴾

﴿We endowed them in their hearts compassion, mercy and monasticism which they innovated, We did not ordain it for them, except for seeking Allah's pleasure and they observed it not with right observance﴾ [54]

"That is to say that they did not apply it, although they embraced it to please Allah as shown in the word 'innovated'. Then it is mentioned that the motives behind such innovation is to seek Allah's pleasure. However, they are blamed for their negligence, since whenever something is devoted to Allah, there should be a commitment to be completed and rightly executed."[55]

In Islam monasticism is embodied in the struggle (*jihad*). A man went to Prophet Muhammad and told him, "Preach me." He said, "I recommend that you fear Allah, as it is the head of everything; stick to *jihad* (struggle, endeavor and fight for Allah) since it is the monasticism of Islam; keep up with the remembrance of Allah and reading the Quran, as it is your spirit in heavens and remembrance for you on earth."[56]

Furthermore, Islam warns against extremism. The Prophet says, "Beware of exaggeration in religion, those preceding you collapsed because of exaggeration in religion."[57] Simultaneously, Islam is against excessive love of matter which overwhelms man to the extent that it occupies his mind and heart, diverting him from worship.

﴿اعلموا إنما الحياة الدنيا لعب ولهو وزينة وتفاخر بينكم وتكاثر في الأموال والأولاد كمثل غيث أعجب الكفار نباته ثم يهيج فتراه مصفرا ثم يكون حطاما وفي الآخرة عذاب شديد ومغفرة من الله ورضوان وما الحياة الدنيا إلا متاع الغرور.﴾

❪Know you all that the life of this world is but a game, diversion, pomp, boasting among you, and rivalry in respect to wealth and children. It is like when the unbelievers were impressed by planting after rains. Soon it withers; thou wilt see it turns yellow; then it dries up and becomes straw. But in the Hereafter, penalty is severe as well as forgiveness and consent from Allah. What is life of this world is just an illusive enjoyment❫ [58]

Again Allah did not abstain us from loving mundane world, but in a reasonable moderate way without overacting.

❪وابتغ فيما آتاك الله الدار الآخرة ولا تنس نصيبك من الدنيا❫

❪Seek the abode of the Hereafter in that which Allah hath given thee and neglect not thy portion of the world❫ [59]

From this angle, "asceticism of this world is not by forbidding what is permitted or squandering money, but to trust in what is in the hands of Allah more than what is in your hands."[60] This will ensure you with better living as illustrated by the following verses:

❪لكيلا تأسوا على ما فاتكم ولا تفرحوا بما آتاكم والله لا يحب كل مختال فخور❫

❪In order that ye may not despair over matters that pass you by, nor exult over favors bestowed upon you for Allah loveth not any vainglorious boaster❫ [61]

That was the Islamic state during the time of the Prophet, and the rule of the four guided caliphs succeeding him immediately. They were pious, worshipping and fearing Allah, while pursuing welfare, development on earth and civilization. Thus, they combined the spirit and matter in the framework of Allah's teachings, representing Him on earth.

b-Worship and Dealings

Pertinent to the previous concept is worship and dealings. The purpose behind Allah's creation of man is to worship Him. Such worship is a very broad concept, since it is not restricted to rituals but everything done by man on earth is a prayer as long as he does it for Allah. Hence, he feels that he is a successor or vicegerent of Allah. Worship is life in itself, which encompasses rituals and dealings at the same time.

The relevance of rituals to life and living is enforced in the reformation of dealings and transactions. Monotheism releases man from fearful feeling, since the source of earning his living is determined by Allah, unrestrained by anyone else. Moreover, nothing enslaves him, so he is not frightened by any authoritative power nor the oppression of any person. He believes that his life-span has a due time to end by the ordinance of Allah alone. Therefore, exaltation is for Allah and whoever conforms to Him.

﴿ولله العزة ولرسوله وللمؤمنين ولكن المنافقين لا يعلمون.﴾

﴿To Allah belongs honour, and to his Messenger and the believers, but the hypocrites know not.﴾[62]

An incessant remembrance of Allah takes place throughout prayers in order for the self not to deviate away from the straight path. Presumably after prayer one faces society with a pure soul seeking corporation. Actually, congregative prayer in a mosque is a lesson of discipline, cooperation, equality and obedience. Standing side by side, white and black, old and young, in well-drawn straight rows without bending or holes, the Muslim follows movements of the *Imam* obediently while bowing up and down. When the *Imam* makes a mistake during prayer, he has to correct him, a fact hinting the right of the masses to draw the attention of the ruler when blundering.

Undoubtedly, the congregative prayer is the title of solidarity and unity of a nation.

As for alms, they are a means to get the Muslim nearer to Allah by extracting an amount of money from his wealth to the poor. On the societal level, alms are channels to cover up the needs of the deprived and the impoverished. This worshipping is in part a social dealing and in another a pure devotion to Allah.

The worship of fasting is a human educational training on how to control instinctive needs. Thus, Muslims are ought to be capable of regulating their desires rather than being impulsive, so they are less prone to worldly silly conflicts. Through fasting Muslims are equated in the feeling of hunger so when the rich man feels the pain of hunger he cares for his poor fellows. Fasting therefore is a worship and dealing.

Although pilgrimage is a worship carried out to seek Allah's pleasure, it has an effective impact on social organization. The Muslim gathering in a one place for a one purpose asserts the unity of goal and origin. Furthermore, their oneness in cloth and prayer signifies their being religious comrades. Also pilgrimage is considered a socio-political and cultural conference where points of views are exchanged and commercial transactions are carried out.

﴿ليس عليكم جناح أن تبتغوا فضلا من ربكم فإذا أفضتم من عرفات فاذكروا الله عند المشعر الحرام واذكروه كما هداكم وإن كنتم من قبله لمن الضالين﴾

﴿It is no sin for you that ye seek bounty of your God (trading). when you leave Arafat in multitude, remember Allah by the sacred monument. Remember Him as He hath guided you, as you before of those were astray﴾ [63]

In ablution we find that washing up the face five times a day protects the eyes from conjunctivitis, sniffing prevents being infected with flu, and tooth-picking (*siwak*) keeps teeth healthy. Medical research affirms that the body loses some of its liveliness during sexual intercourse, so having a bath renders it vigor. Also medically it is preferable to cleanse oneself after defecation, the purity of cloth, trim nails, and wash hands when waking up, before and after meals, etc.

Exaggeration in worship is prohibited which ends up in sins. Allah says:

﴿قل يا أهل الكتاب لا تغلو في دينكم غير الحق﴾

﴿O people of the Book! exceed not in your religion the bounds (of what is proper) trespassing beyond the truth﴾ [64]

﴿Fear Allah as much as you can﴾[65] ﴿فاتقوا الله ما استطعتم﴾

Prophet Muhammad says: "Religion is easy. It defeats whoever tries to make it difficult, so direct to the right path, come together, be hopeful, and have a recourse in the morning, evening and part of the night."[66] He further says, "Direct to the right path, come together, and be hopeful, as no one enters the Heaven with his deeds." The people asked: "even you Messenger of Allah?" He retorted "Even I unless Allah envelops me with His forgiveness and mercy."[67]

The Companion Anas reported that three men went to the Prophet's house to ask about his way of worshipping. When they were told, they seemed to abate it saying: "Where are we from the Prophet, Allah forgave him for past and coming sins." One of them said: "I pray all night forever." The second said: "and I fast forever and do not breakfast." The third said: "I desert women and do not marry forever." Then the Prophet came and said: "Are you the ones who said so and so... As for Allah sake, I am the most who fears and cares for Allah, but I

fast and eat, pray and sleep, and marry women, so who neglects my tradition will not be considered with me (my religion)".[68]

In Islam worshipping is not confined to rituals since every activity in the world seeking Allah pleasure is a worship. For instance, Anas mentioned that: "We were with the Prophet while traveling. There were people among us who were fasting and others were not. We stopped at a place in a hot day, when the fasting men fainted whereas the others kept on preparing the place and giving drink to thirsty. Then The Prophet said: "Those who are not fasting today will have all the reward."[69]

The Prophet says: "There are alms in your vulva." They asked: "O Messenger of Allah if one satisfies his (sexual) need does he attain a good reward?" He answered: "See if he satisfied it in a forbidden way is not he going to sin? similarly, if he used in what is permitted then he will be rewarded."[70]

The meaning of worship is comprehensive including all aspects of life as long as it is for the sake of Allah. Religious rituals are nothing but stations at which the Muslim stops to rest and revise "his compass" in his journey across the world. It is insignificant to pursue worship rituals without work or to work without seeking Allah's pleasure.

﴿هو الذى جعل لكم الأرض ذلولا فامشوا فى مناكبها وكلوا من رزقه وإليه النشور﴾

﴾It is He who has made the earth manageable for you, so traverse ye through its tracts and enjoy of the sustenance which He furnishes; but unto Him is the Resurrection.﴿ [71]

An active strong man passed by a group of people. They stared at him with admiration and said: "If this (vigorousness)

is for the sake of Allah!." The Prophet noted: "If he leaves his home to earn his livelihood to raise his children, so it is for the sake of Allah; if it is to earn his livelihood to take care of his old parents so it is for the sake of Allah; if it is for himself to live in temperance, so it is for the sake of Allah. However, if he leaves his home to earn his livelihood hypocritically and vaingloriously then it is for the sake of Satan."[72] In another occasion, the Prophet said: "Who looks after a widow or a poor person is like the fighter for the sake of Allah and like who fasts all day and prays all night."[73]

The Second Caliph, Omar Ibn Al-Khattab, met a group of people coming from Yemen. He asked them: "who are you?" They replied: "We put trust on God." He retorted: "You are liars. You are idle dependent people. The trustier in Allah is that who puts the seed in the soil then puts his trust on Allah."[74]

c- The Individual and The Group

Humanity underwent two major ideologies. The first transcends the interest of the individual over that of the group, while the second reverses the situation, rendering the group greater attention than the individual. The outcome of the first view was the individual tyranny over the group which he manipulates for his interests. The group-oriented ideology resulted in engulfing the individual in the group, considering him just an additional number to the total. Thus, the individual was deprived from his rights, as his interests became a secondary matter in relation to the communal interests. The downfall of the Soviet Union is a good example for failure of this ideology which disregards individual freedom and happiness.

In another development, individuals are parts and parcels of their societies, exercising a mutual influence. For instance, how can a merchant be honest in a market full of deception?

To what extent can he control himself and his behavior in a sinful atmosphere? Therefore, there should be an upright society in order for the individual to grow and behave virtuously.

Islam balances between the interests of the individual and the group, in a way that neither the individual nor the group will overpower one another. The individual shoulders the responsibility of his own deeds. Allah says:

﴿ولا تزر وازرة وزر أخرى﴾

﴾And no sinful soul bears the sins of another﴿[75]

﴿كل نفس بما كسبت رهينة﴾

﴾Every soul will be (held) in pledge for its deeds﴿ [76]

﴿لا تجزى نفس عن نفس شيئا﴾

﴾No soul will in aught avail another﴿ [77]

Nevertheless, his responsibility of his deeds does not exempt him from enduring a communal responsiblity.

﴿واتقوا فتنة لا تصيبن الذين ظلموا منكم خاصة﴾

﴾Ward off sedition which prevails not in particular those who are wrong doers﴿ [78]

Thus, some of the divine commandments are designed to the group. Allah says:

﴿ياأيها الذين آمنوا لا تتخذوا عدوى وعدوكم أولياء﴾

﴾O ye who believe! Take not My enemies and yours as leaders﴿ [79]

﴿ياأيها الذين آمنوا قاتلوا الذين يلونكم من الكفار﴾

﴾O ye who believe! Fight unbelievers who gird you about﴿ [80]

﴿وأمرهم شورى بينهم﴾

﴿Their affairs are carried out through mutual consultation﴾ [81]

Furthermore, in the retaliation penalty, it is obvious how individual crime affects the entire life of a society.

﴿ولكم فى القصاص حياة يا أولى الألباب﴾

﴿And there is life for you in retaliation, O men of understanding﴾ [82]

Thus, enjoining right conduct and forbidding indecency is a collective obligation, as every individual will be sinful if the nation does not perform the collective obligation e.g. *jihad*, education, development and security.

In application to the Islamic economic system, both the individual and group have definite roles in development, from which the boundaries of the tasks of the private and public sectors are determined. Debates are held until this moment among both liberal capitalist thinkers as well as socialist theorists to spell out the different functions of private and public sectors. In capitalism the poor lose their rights, whereas in socialism efficient individuals lose their rights.

In the Islamic system, the right of the individual is the first to be handled. All facts emphasize that a successful strategy in development is accomplished with reference to human rights. Respecting human rights and duties, economic development in the Islamic state starts with the individual, as the role of the state is embodied in executing things which individuals are incapable of doing. Hence, it is a collective obligation, in which the nation will be considered sinful if not achieved.

Under such circumstances, the public sector is primarily associated with the needs and demands of society in every setting. In Islam, public interests, which enforce the state to interfere economically, stand on a strong basis inspired by divine legislation. Concerning public expenditure, it should not

serve the interests of a certain individual or group; also, a priority ladder should be set, starting with basic needs then demands. Therefore, the interest must be real not illusive. Undoubtedly, this economic structure differs when the decision of expenditure stems from positive legislation according to a majority vote, even if it responds to a pressure group. The people's wealth is secured away from state interference unless there is a temporary public interest which entails the state to impose a certain duty for a time, so that taxes are not fixed. Prior to the imposition of any duty on the individual wealth, the state is deemed to publicly provide justifications for its deficit through income accounts, opening up the door for donations to make up for insufficiency. Afterwards, an obligation can be assumed from the wealthy to cover up the interest set by the state.

There is another external guarantee which determines the scope of expenditure securing a supervised and safe system. This is exemplified in the following:

1- *Shura* (consultation) of the influential people is obligatory according to Islamic law.
2- The duty of public morality calling for righteousness and prohibiting wrong-doing.
3- Under Islamic law, just income distribution is undertaken by the justice of Islam to purify society from exploitative methods like usury and monopoly, obligating the rich to pay the alms in order to be distributed among the poor.

Therefore, the burden of excessive expenditures is abridged in the balance sheet, while reducing the imposition of any financial duties. Such external and internal warranties bridle the extent of state intervention in economic affairs, so as to secure public interests from the control of individual interests, rendering the public sector a reasonable size and regulating financial costs assumed by individuals. This will realize the interests of both the individual and group.

3- *Appointment Of Successor*

Allah says:

﴿وإذ قال ربك للملائكة إني جاعل في الأرض خليفة قالوا أتجعل فيها من يفسد فيها ويسفك الدماء ونحن نسبح بحمدك ونقدس لك قال إني أعلم ما لا تعلمون * وعلم آدم الأسماء كلها ثم عرضهم على الملائكة فقال أنبؤني بأسماء هؤلاء إن كنتم صادقين قالوا سبحانك لا علم لنا إلا ما علمتنا إنك أنت العليم الحكيم﴾

﴿And when thy God said to angels: I will let a vicegerent on earth. They said: Wilt thou place therein one who will make mischief and shed blood, while we hymn Thy praise and glorify Thy holy (name)? He said: Surely I know that which ye know not * And He taught Adam all the names, then showed them to the angels, saying: Inform Me of the names of these, if your right* They said: Be glorified! We have no knowledge save that Thou hast taught us. Thou, only Thou art the absolute Knower and Wiser.﴾ [83]

According to Ibn Attia (died 546A.H.), the successor or vicegerent is the person who follows another to execute his power or authority. Hence, Allah ordained unto Adam and then his descendants to be His successors on earth to rule people by Truth and to execute divine commandments. [84]

Though pure, holy and obedient, angels, who were created from light, were surprised that Allah created from muddy clay Adam, who may pursue his instincts toward corruption and bloodshed. In addition, He taught Adam the names and nature of things on earth, so as to be able to contemplate and meditate through the creation of heavens and earth, as well as to speak and understand the rationale behind his existence and the purpose of life. Also, Adam was deemed to endure the

responsibility of exploration and development, modifying, selecting and interacting. This is indispensable to man in order to relinquish a primitive style of living, master his surroundings.

Created by a grip of clay blown up from Allah's Spirit, man can manipulate his instincts and desires to suit the purpose of his existence. Accordingly, by overcoming impediments and implementing divine imperative, he excels all creatures in the universe. When the angels knew the reason behind man's creation, they prayed for him asking Allah to forgive him and protect him from evils.

Afterwards, Allah ordered the angels to prostrate to Adam. Prostration was their greetings; although it was a kind of worship of Allah, it was a greeting to Adam, as what happened later when the family of Joseph prostrated to him (Joseph). Therefore, prostration as a worship to God is different from prostration to a human being who deserves a special addressing for his status. Iblis (Satan) abstained from prostration cause Allah was in favor of Adam on him.[85]

Iblis' bitter enviousness of Adam drove him to dedicate himself to bedevil human beings away from obeying God, particularly concerning material pressing needs. Here abides the examination posed on man, on which his stance will be forged, either selected adjacent to Allah or dragged to hell with the unbelievers. The sky, earth, heaven and hell all were created stand to reason with the course of man and Satan struggle. The first plan set by Satan to ensnare Adam was to incite his desire of perpetuity and sovereignty by eating from the forbidden tree, so by that Adam violated Allah's command. Then, Allah forgave him and guided him to the right path and conduct.

Allah's reason behind this event was to let Adam and his descendants settle down on earth. After revelations and guidance, people will have the right to choose between believing

and disbelieving due to which reward and punishment will be implemented. Therefore, the mundane world is the site of examination, where Allah bestowed endless graces and blessings to serve man on earth as means but not as an end, thus, enacting nature for the servitude of man in order to obey his God. However, if the world preoccupied his mind driving him away from worshipping, he loses the state of peacefulness and satisfaction.

All that pinpoint that economic development should be achieved for the sake of man, so as to let him enjoy the biggest amount of freedom of choice and action. Economic growth should not, then, afflict the life of man by exploitation and oppression. In such a situation man becomes enslaved and constrained by the tyrannical system. During judgment, is the freeman going to be equal to the slave?

Designating man on earth as a vicegerent is a declaration of the most essential mission, namely, constructing and improving the earth. Nonetheless, the worst crime undertaken by him is to spread out corruption and mischief, destroying crops and cattle. Being the vicegerent of Allah on earth, in Al-Qortoby's view (died 671A.H.), is a sign to set forth a leader or successor to be followed and obeyed so as to realize unity and execute the leader's rules or orders. This is undoubtedly obligatory. [86]

The appointment of a successor should be regulated through certain rules of human relations and manifestations:

1. Development, production and prosperity are obligations which should be implemented on earth. In his interpretation of man as being a successor, Al-Tabary said "he must be an inhabitant and producer, living and producing."[87]
2. Since the entire dominion of everything belongs to Allah, man, as a successor, should practice the right of ownership, but on the following conditions:

a) To follow the divine imperative in what he succeeded God to earn a livelihood within a permitted context and spending the good of his wealth.

b) The utility derived from ownership should serve the owner and other people, as it should not be restricted to a group of people nor be used to hurt others. Hence, wealth will be reserved to benefit everybody, rather than squandered by a spendthrift, who must be interdicted.

c) Allah the Owner of Sovereignty ordained His successor to pay out a determined amount of money to the poor, so this is not a matter of charity but an implementation of a command.

3. No one has the right to own, seize or defend public utilities like water, pasture and fire, since they are public commodities owned by all, unless one worked on them.

Therefore, ownership in Islam is founded on justice. The minimum level stands on rights as exemplified by providing a subsistent minimum level of living for every person in the nation. The maximum level of ownership relies on equality as preventing accumulation of wealth through usury and monopoly. The minimum and maximum levels are the boundaries of the right path or the restrictive ordinance of Allah, which are abstained from the epidemics of squandering, excessiveness, tyranny, losses, etc. We have seen the sway of the Western capitalism through monopoly, usury and colonialism, as well as the socialist losses which destroyed solidarity and incentives through expropriation.

The Quran elucidated three types of rights to forge ownership on the straight path:

1. *The Right of the Individual*: His money should not be seized nor his property confiscated. Individual money and

property are sacred like the self so it is forbidden to be injured. Allah says:

﴿إن الذين يأكلون أموال اليتامى ظلما إنما يأكلون فى بطونهم نارا وسيصلون سعيرا﴾

﴿Those who unjustly eat up the property of orphans, eat up a fire into their bellies; they will soon be enduring a blazing Fire﴾ [88]

2. *The Right of Allah*: Allah is the Creator and Owner of the universe with all its contents to be subordinated to human beings. Money is referred to Allah in the Quran according to two definite rights:

   a- The right of the poor in alms which are portions of the total wealth bestowed by Allah to man, so the poor are partners in such wealth until they get their allotment.

   b- The right to follow divine ordinance in spending money.

   Allah says:

﴿وآتوهم من مال الله الذى آتاكم﴾

﴿bestow upon them the wealth of Allah which He has bestowed upon you﴾ [89]

3. *The Right of the Group*: This signifies the public interest as admitted by regulations. A just compensation should be given to individuals if their properties were seized for the public interest. Here wealth is posed in reference to the group.

﴿ولا تؤتوا السفهاء أموالكم التى جعل الله لكم قياما﴾

﴿Give not unto the incompetent (what is) your (keeping of their) wealth which Allah has given you as a means of support﴾ [90]

The Importance of the Right of Ownership

Ownership is a practical necessity, as man should own the fruits of his drudgery. This is considered a major motivation for development and production. According to their labor, people should be distinguished from one another. If incomes were equal, extra effort would not be exerted. Different incomes are meaningless without human competence of ownership. Ownership can be essential as a strong impetus for development and production, steering people to exert their utmost efforts and compete for their benefits and the benefit of mankind.

Immortality is a deep-seated human instinct. Nevertheless, due to his limited life-span, man satisfies this instinctive aspiration in his children who carry his name and are his descendants on earth. Caring about the future of his children, his instinct of immortality pushes him toward a pressing desire for inheritance. Inheritance can not be achieved without ownership. Such a phenomenon is crucial for family coherence, a unit in a society, engendering balanced and merciful people.

Another instinct residing in the human self is the love to control and master. Man likes to practice his authority over his fellows in addition to his mastery over all living beings. It is hard for human beings to suppress the desire for power and control which is felt by all of us. However, by regulating instincts through a permissible way, Islam releases the desire to master in ownership to make man feel that he is free to act upon his property. With access to opportunities for earning money, different incomes and wealth accumulation, violent tendencies of human nature are transformed to harmless ones. Unless satisfied or compensated, such desires are aggressively authoritatively and harshly exerted over others. Therefore, the best thing is to contain this instinct by releasing it while dealing with wealth and property. The unrestrained desires can indulge man in what is forbidden. Then, they must be entan-

gled by restrictions and rules. Prophet Muhammad says: "The heart of the aged is young in his love of two things, long life and wealth."[91]

Satan instigated these two instincts, immortality and sovereignty, in Adam so as to let him sin and eventually be thrown out of heaven. As cited in the Quran, he told Adam:

﴿هل أدلك على شجرة الخلد وملك لايبلى﴾

﴿Shall I show thee the tree of immortality and sovereignty that never decays?﴾[92]

Private ownership is a means of maximum sustainment of material assets of society without negligence or squandering, a matter benefiting the whole society. Notwithstanding, under bureaucratic systems production is encumbered, since individuals miss the sense of responsibility and public wealth is guarded through violent methods.

The Fairness of Ownership

Ownership in Islam must be launched on fair basis. Allah says:

﴿ولا تأكلوا أموالكم بينكم بالباطل﴾

﴿And do not eat up your property among yourselves for vanities﴾[93]

Dealing with monetary transactions among people, it is meant by this verse that ownership of property is deemed to be valid if it is in return to labor; otherwise it is forbidden. This implies and ordains the prohibition of usury, deception and seizure, etc., since they are forms of ownership without work or competence.[94]

In Islam it is forbidden to possess a property through gambling, monopoly, seizure, theft and usury because of the great oppression befallen on people. Furthermore, since it is

forbidden to attain property by deception, aleatory and lying, Islam puts forth conditions for contracting to overcome and restrain such manifestations. Also, if acquired through harming people, e.g. prostitution, alcoholic trade and commercial relations with the enemy, etc., property and accumulation of wealth are considered illegitimate.

A Secure Ownership

Islam admits private ownership, rendering the individual a free hand to do with it whatever pleases him. As for being the guardian over the orphans' money, Allah says:

﴿وابتلوا اليتامى حتى إذا بلغوا النكاح فإن آنستم منهم رشدا فادفعوا إليهم أموالهم ولا تأكلوها إسرافا وبدارا أن يكبروا﴾

﴿Make trial until they reach the age of marriage. If then ye find sound judgment in them, release their property to them; but consume it not wastefully, nor in haste against their growing up﴾ [95]

﴿وأنه هو أغنى وأقنى﴾

﴿And that is He who giveth wealth and satisfaction﴾[96]

Without aggression and seizure, people should properly deal with and respect each other's private property and wealth, which Islam defined.

﴿ياأيها الذين آمنوا لاتأكلوا أموالكم بينكم بالباطل إلا أن تكون تجارة عن تراض منكم ولاتقتلوا أنفسكم إن الله كان بكم رحيما﴾

﴿O ye who believe! do not eat up your wealth among yourselves in vanity, but spend your money in trade by mutual consent, and kill not one another. Allah is ever Merciful unto you﴾[97]

The Prophet points out: "No one obtains his fellow's chattels seriously or amusingly, and even if he takes his stick

he must return it back to him."[98] "The access to Muslim's property is not permissible without his consent."[99] "He is considered a martyr who is killed because of his property."[100] "(metaphorically) The one whose oppression is equal to a hand span of earth will be encircled by seven times equal to earth."[101] "Who seizes an area of land forcibly and oppressively will (after death) meet Allah but He will be enraged from him."[102]

As cited by Gaber during the Farewell Pilgrimage: "At sunset, i.e. Arafa Day, (the Prophet) asked for Kaswaa (his camel). Then he reached the center of the valley to give a speech by saying: 'Your blood and money are sacred and inaccessible to each other like the sacredness of your day (Arafa Day).Pre-Islam bloodshed is forbidden...Pre-Islam usury is forbidden..."[103]

Islam's respect of one's right of ownership and wealth accumulation reaches its maximum end when it ordained the amputation of the greedy thief's hand who is not in need. Allah says:

﴿والسارق والسارقة فاقطعوا أيديهما جزاء بما كسبا نكـالا من الله والله عزيز حكيم﴾

﴿As to the thief, male or female, cut off his or her hand: a punishment by way of example, from Allah for their crime. And Allah is Might, Wise﴾ [104]

There is not any kind of legislation so firm in securing ownership as is Islam. Suffice it to say that Islam provokes the desire of sovereignty toward economic development and construction of earth. Man owns barren land and enlivens it through cultivation and construction. The Prophet says: "The one who enlivens a barren land should own it."[105]

Islam admitted the freedom of ownership under restrictions, permitting inheritance, selling, renting, loaning and

others. Preemption is allowed to ward off any harm that might inflict the owner, the neighbor or partner, which impedes benefiting from the property. The condition of choice is possible to ensure the owner's satisfaction.

In reference to the Quran and the Prophet's tradition, people's wealth is sacred and forbidden (among each other). It is permissable in case of mutual consent and concurrence, or through legitimate means of alms, inheritance, and preemption, etc. If anybody alleged his access to another's wealth, he has to provide proof. The arbitrator, on the other hand, has to prohibit him such access and try to make him change his mind even after presenting the proof.

It is stated in *Al-Rowda Al-Nadiyah*, that people's wealth is protected after the enforcing of the texts of the Book and *Sunna*. Such wealth is approached only under determined rules prescribed by Islam, such as mutual agreements, or paying alms and debts, inheritance, pre-emption and the like. In order to have access to another's wealth, one must prove the lawfulness of his act, as it will continue to be forbidden until his proof is verified. [106]

Abu Obied (died 224A.H.) said that he was told that Muslims were in Gabiah with Omar Ibn Al-Khattab when a non-Muslim resident rushed to Omar complaining that people are taking from his grapes. Omar went out to investigate the issue. On his way, he met one of the companions carrying grapes. Omar said "and you too!" The companion replied, "O Prince of believers, we are starving." Omar returned and gave the non-Muslim the value of the lost grapes. [107]

In other circumstances, however, cases are dealt with differently. For instance, during the rule of Omar Ibn Al-Khattab, due to a prevailing hunger in a certain place, the hand of the thief was not cut off. Also, expropriation is permitted in case of disobedience to pay alms. The Prophet preaches us that, "For every camel, there is a livestock in

every forty fed youngsters. Every camel should be counted, so who will give it away for a reward will be rewarded, but if he abstains, we will take it and a portion of his wealth. This is one of Our God's resolutions from which nothing is allowed for Muhammad's Family."[108]

Protectorate

The issue of protectorate has to be tackled when handling the subject of ownership. Mistakenly, some people think that the issue of protectorate in Islam is a prelude for nationalization. The latter was sought as a reaction of the disturbed capitalist socio-economics, as well as the economic backwardness in our societies that was manifested in crises, monopolies and seizing money in vanities, all of which resulted from being aloof from Islam.

Muslim jurists allowed expropriation only for the public interest and as an exception to the right of ownership. They set conditions and guarantees for the execution of any confiscation. Besides, a just compensation must be given to the owner who has the right to sue in court, if he disagrees on the value of the compensation

In the Prophet's era, a man called Samrah Ibn Gandab had palm-trees of another's garden so he used to enter the place with his family causing harm to the garden. The owner of the garden went complaining to the Prophet. The Prophet told Samrah: "what about selling your palms". He refused. The Prophet said: "then uproot them." He refused. He retorted: "bestow them for Allah and He will reward you in Heaven." He refused, as he thought that the Prophet was preaching and giving him an advice not for arbitration and obligation. Finally, the Prophet said: "You are harmful." He looked at the other man and said: "go and uproot his palms."[109]

Another incident, cited by Al-Qorashy (died 203A.H.), was for a man who needed water which couldn't reach him without the passage into another's land. The latter refused to let the water pass through his land to reach the former. He cited Omar Ibn Al-Khattab sayings: "If water cannot be flown but through your belly, I will let it run through it."[110]

This is not nationalization in its modern meaning. There is a great difference between the protectorate known in Islam and the protectorate in the pre-Islamic period which was called on anything precious or dear for a tribe like a meadow, brook, or a piece of land, declaring that they will secure it, therefore, inaccessible to anybody. With the advent of Islam, this right was restricted to the state. The Prophet said: "No protectorate but for the sake of Allah and His Messenger." [111]

Omar advised the Governor of Rabthah: "Gather your wings away from people (be merciful). Be cautious of the oppressed prayer (seeking salvage from Allah), it is surely answered. Let the poor shepherd in and keep from entering the of Ibn Afan And Ibn Oaf, if perished, the plants and palms will remain. But this poor fellow if his livestock perished he will come yelling to me to save him, for the value of herbage is cheaper than gold and silver. It is their land, on which they fight in pre-Islam, and on which they became Muslims. They will consider us (the rulers) oppressors. If not bestowed from Allah such endowments and wealth, I won't ever be defending people for nothing in their country." [112]

Noticeably, the concept of protectorate in the Islamic law is understood here as for public necessity and interest, an exception to basic concept. The *hadith* (Prophet's saying) "Muslims are partners in three things, pasture, water and fire,"[113] was interpreted to mean that Islam nationalizes all projects that render public benefits. In an analogy the pasture water and fire are equivalent to the contemporary companies

of water and electricity, etc. thus making nationalization a basic ordinance.

Undoubtedly, such *hadith* has another explanation contrary to what has been illustrated. If we consider that nationalization should cover any public necessity, no one will be able to own or run a trade in all commodities, since they are socially necessary and are characterized by being publicly consumed and shared. Hence, it is not the public attribute in its entirety, but it is the matter which is a natural resource serving the whole society without any exerted effort (free goods). Then, the aim of the *hadith* is to prohibit any person from monopolizing such a matter to sell it to people, or to be nationalized by the state, but rather to be accessible for public use.

Prophet Muhammad granted salt from *Maareb* for a man called Abiad Ibn Gamal Al-Mazny. When he left, a group of people said: "O Messenger of Allah! do you know what you have granted him? What you have granted him is like a permanent endless water - they consider salt like water in its being ceaseless and is obtained without work and drudgery." The Prophet brought it back from him." [114] As stated by Al-Asklany (died 852A.H.), the reason behind the Prophet's approval to get back the salt from Al-Mazny is the concept or religious ordinance that people are partners in the pasture, water and fire and no one is an exception.[115] Besides, the Prophet says: "Don't restrain water to restrain pasture." [116]

When a certain work is exerted on something, it becomes an economic commodity which can be owned by the person who worked for it; this applies to everything even the pasture, water and fire. For example, there is a consent that the water obtained in a jug is considered a property. [117] Some adhere to the view that if drinking water is provided from its source before it is poured in a jug, then it is not a property. [118]

This rule is applicable to minerals, especially those on the surface of the earth like salt, sulfur and exuded oil, etc., which are extracted without any effort, so they are for the whole nation, unallowable for individual ownership. Commenting on the subject, Al-Imam Al-Shafaay (died 204A.H.) says:

> "Similar to that is every apparent mineral like oil, tar, sulfur, mummies, stones not pertaining to anybody's property, so it is not permissible to be owned by anybody, or seized by power, or restricted to a group of people. All these are evident like water and pasture... If someone takes for himself any of these or who uses his authority to restrict it to himself, he is considered an oppressor." [119]

Minerals which can be owned are those which require toil and support. Therefore, the *hadith* "people are partners in three..." does not refer to nationalization, but rather it is a prohibition of individual monopolies of three types of matter noted in the text, as well as abundant natural resources. Protectorate is not basic in Islam but admissible when necessary according to public not individual benefit.

Summary

We have been plunging into the tenets of Islam concerning the contemporary ideological conflict between East and West. The Western experience is based on free individualism. The public interest is pursued through the fulfillment of individual interest. Hence, ownership is absolute, never confined to any restrictions. As a result, usury and monopoly are being practiced which led to the indulgence in exploitative means, destroying the principle of equal opportunities. As for the Eastern experience, it was a reaction to the drawbacks of the Western case. With the conception that private ownership is

theft, ended in class struggle, crises and wars. Eventually, the socialist system collapsed in the Soviet Union.

Islam pays attention to both the individual and group rendering each its right within a context of social equilibrium. The individual has the right of private ownership to develop his capabilities and work, but such ownership should not infringe the rights of others. It is a system which corresponds to both private and public interests, realizing progress and prosperity.

The Islamic system, generally, and Islamic economics, particularly, forges the path for benevolent livelihood through:

1. The faith which realizes man's freedom, as his relation with Allah frees him from fearing his fellow human beings. He is never terrified of being deprived, since he believes in Allah, the Giver, the Annihilator, the Provider, the Most Strong, and the Firm One. Through jurisprudence and Islamic ordinance the person can guarantee a subsistence standard of living. Paying alms is a pillar derived from the rich to be given to the poor.
2. Just dealings offer a state of equilibrium between the dichotomies of the spirit and matter, mundane world and the Hereafter, worship and dealings, individual and group, and development and care, therefore saving society from squandering and excessiveness. Here the Islamic system is distinguished from the other systems. It embodies an upright style of economics which embraces values and endures incentives; economic activities are connected to good deeds which in turn blooms to success as human desires are considered and ownership is sustained.
3. To have a comprehensive conception of development and production in Islam, the notion of human vicegerency must be understood as it associates the development issue with justice in dealings and transactions, and relates production with care for the poor.

Accordingly, Islam regulates individual and firm transactions in the market to achieve the following:
a) A responsible freedom in production and earning.
b) Justice in market and income distribution.
c) Care for the weak, a state duty.

NOTES

1. *Fundamentals of Marxism Leninism*. 2nd edition. Moscow, 1964, pp. 95-234.
2. Surat Al-Nahl (Bees), verse 75.
3. Dalton, *Principles of Public Finance*. G. Routledge Company & Sons, London, 1948, p.3.
4. Robert M. Augros & George N. Stanciu, *New Story of Science*. New York, 1984. Trans. by Kamal Al Khalaily, Alam Al-Maarifa, 1989. No.134, p.19.
5. George Soule, *The Great Economists*. Mentor Book, 1958, pp.38-39.
6. The World Bank, *Human Development Report for the year 1992*. Trans. by Markaz Al-Dirasat Al-Wihda Al-Arabia, 1992, pp.34-38.
7. Surat Fatir (The Angels), verse 41.
8. Surat Ya Sin, verse 40.
9. Surat Ta Ha, verse 50.
10. Surat Al-i-'Imran (The Family of 'Imran), verse 83.
11. Surat Kahf (The Cave), verse 29.
12. Surat Al-Muminun (The Believers), verse 71.
13. Surat Ta Ha, verses 123-124.
14. Surat Al-Zariat (The Winnowing Winds), verse 49.
15. Surat Al-Rum (The Romans), verse 21.
16. Surat Al-Jathiya (Crouching), verse 13.
17. Surat Al-Hujurat (The Private Apartments), verse 13.
18. Surat Hud, verses 118-119.
19. Surat Al-Nissa (Women), verse 29.

20. Al-Albani, *Sahih Al-Gamiaa Al-Saghir Lil Souyouty*. Vol.2 Al-Maktab Al-Islamy, 1406A.H., p.1286.
21. International Bank for Reconstruction and Development, *World Development Report*, 1988. Trans. by Al-Ahram Printshops, pp.61-66.
22. Arthur Lewis, *The Principles of Economic Planning*. 3rd edition. Unwin University Book, London, 1969, pp.14-19.
23. Surat Al-Shu'raa (The Poets), verses 128-131.
24. Surat Hud, verses 84-88.
25. Al-Albani, *Silsilat Al-Ahadith Al-Sahiha*. Vol.1 Al-Maktab Al-Islamy, 1405A.H., p.167.
26. Surat Luqman, verses 26-30.
27. Ibn Al-Qaim Al-Gozia, *Zad Al-Miaad* (The Supply of Appointment). Vol.1 Al Matbaah Al-Masria, p.403.
28. Surat Al-Ra'd (The Thunder), verse 5.
29. Surat Al-Rum (The Romans), verses 6-7.
30. Surat Al-Kahf (The Cave), verses 103-105.
31. Surat Al-Nahl (Bees), verse 97.
32. Surat Al-Aaraf (The Heights), verse 96.
33. Surat Al-Anaam (Cattle), verse 6.
34. Surat Al-Kassas (The Story), verse 77.
35. *Sahih Muslim*. Vol.1 Al-Halabi, p.413.
36. *Ibid.*, p.64.
37. Surat Al-Aala (The Most High), verses 14-19.
38. Surat Al-Baqara (The Cow), verses 278-280.
39. Surat Al-Nissaa (Women), verse 59.
40. Al-Albani, *Sahih., op.cit.,* Vol.2, p.722.
41. Surat Al-Hadid (Iron), verse 25.
42. Surat Al-Rahman (The Beneficent), verses 7-9.
43. Ibn Al-Qaim Al-Gozia, *Madarij Al-Salikeen* (The Levels of Followers). Vol.1 Al-Matbaat Al-Sunna Al-Muhammadia, 1956, p. 497.
44. Surat Al-Taghabun (Mutual Disillusion), verse 16.

45. Surat Al-i-Imran (The Family of Imran), verse 102.
46. Surat Al-Adiyat (The Courses), verse 8.
47. There are exceptional cases, like in wars, when people are not confined in expenditure by the restrictive ordinance of alms, e.g. Abu Bakr Al-Sidik spent all his money in *jihad* (war).
48. Surat Al-Alak (The Clot), verses 6-7.
49. Surat Al-Nour (Light), verses 36-37.
50. Surat Al-Jomaa (Friday), verses 9-10.
51. Surat Al-Baqara (The Cow), verse 216.
52. *Ibid.*, verse 219.
53. Surat Al-Ma'ida (The Spread Table), verse 91.
54. Surat Al-Hadid (Iron), verse 27.
55. Al- Gozia, *Madarij., op.cit.,* Vol.2, pp.60-61.
56. Al-Albani, *Sahih., op.cit.,* Vol.1, p. 498.
57. *Masnad Ahmed*, investigated by Ahmed Shaker. Vol.3 Dar Al-Maaref, 1374 A.H.,
58. Surat Al-Hadid (Iron), verse 20.
59. Surat Kassas (The Story), verse 77.
60. Al-Gozia, *Madarij., op.cit.,* Vol.2, p.13.
61. Surat Al-Hadid (Iron), verse 23.
62. Surat Al-Monafiqeen (The Hypocrites), verse 8.
63. Surat Al-Baqara (The Cow), verse 198.
64. Surat Al-Ma'ida (The Spread Table), verse 77.
65. Surat Al-Taghabun (Mutual Disillusion), verse 16.
66. *Sahih Al-Bokhary*. Vol.1 Dar Al-Shaab, p.16.
67. *Ibid.*, Vol.4, p. 124.
68. *Ibid.*, Vol.3, p. 237.
69. *Sahih Muslim*, *op.cit.,* Vol.1, p.403.
70. *Ibid.*, p.452.
71. Surat Al-Molk (The Sovereignty), verse 15.
72. Al-Haithamy, *Majma'a Al-Zawaed* (Accessories Combination). Vol.4 Moasasat Al-Maaref, 1406A.H., p.328.
73. *Masnad Ahmed, ibid.*, Vol. 4, p. 52.

74. Al-Motaqy Al-Hindy and Ali Ibn Hussam, *Kinz Al-Omal Fi Sunan Al-Akwal wa Al-Afaal* (Labor Treasury in The Sayings and Actions Tradition). Vol.4 Maktabat Al-Turath Al-Islamy, 1390 A.H., Hadith No. 9875.
75. Surat Fatir (The Angels), verse 18.
76. Surat Al-Mudathir (The Cloaked One), verse 38.
77. Surat Al-Baqara (The Cow), verse 123.
78. Surat Al-Anfal (The Spoils of War), verse 25.
79. Surat Al-Momtahina (She That Is To Be Examined), verse 1.
80. Surat Al-Tawba (Repentance), verse 123.
81. Surat Al-Shura (Counsel), verse 38.
82. Surat Al-Baqara (The Cow), verse 179.
83. *Ibid.*, verses 30-32.
84. Ibn Attia, *Al-Moherer Al-Wageeze* (The Brief Investigator). Vol.1 Ashoaoun Al-Dinnia, Qatar, 1985, p.228.
85. Al-Gassas, *Ahkam Al-Quran* (The Rules of Quran). Vol.1 Dar Al-Kotob Al-Ilmiya, 1325 A.H., pp.31-32.
86. Al-Qortoby, *Jamaa Ahkam Al-Quran* (The Congregation of Rules of Quran). Vol.1 Maktabat Al-Shaab, p.226.
87. Al-Gassas, *ibid,* Vol.3, p.165.
88. Surat Al-Nissaa (Women), verse 10.
89. Surat Al-Nour (Light), verse 33.
90. Surat Al-Nissaa (Women), verse 5.
91. *Muslim, op.cit.*, Vol.1, p. 417.
92. Surat Ta Ha, verse 120.
93. Surat Al-Baqara (The Cow), verse 188.
94. Muhammad Al-Madeny, *Al-Mogtamaa Al-Islamy Kama Tosawiraho Surat Al-Nissaa* (The Islamic Society As Portrayed By Surat Al-Nissaa). Al-Maglis Al-Alaa Lil Shoun Al-Islamia; 1973. Book No. 84, p.347.
95. Surat Al-Nissaa (Women), verse 6.
96. Surat Al-Nijm (The Star), verse 48.
97. Surat Al-Nissaa (Women), verse 29.

98. Al-Albani, *Sahih.*, *op.cit.*, Vol.2, p. 1257.
99. *Ibid.*, p.1987.
100. *Ibid.*, p.1100.
101. *Sahih Al-Bokhary*, *op.cit.*, Vol.2, p.68.
102. Al-Albani, *Sahih.*, *op.cit.*, p. 1041.
103. *Muslim, op.cit.*, Vol.1, pp.511-512.
104. Surat Al-Ma'ida (The Spread Table), verse 38.
105. Al-Tabrizy, *Mishkat Al-Masabih* (lantern of lamps) investigated by Al-Albani. Vol.2 Al-Maktab Al-Islamy, 1405A.H., Hadith No. 3994.
106. Abu Al-Taieb Sidik Hassan, *Al-Rowda Al-Nadia Fi Shareh Al-Dorar Al-Bahia* (Dewed Meadow in Explaining Bright Pearls). Ashoaoun Al-Dinnia, Qatar, p.187.
107. Abu Obied, *Al-Amwal* (Money). Al-Maktabat Al-Togaraia Al-Kobra; 1353A.H., p.151.
108. Al-Shoukani, *Nil Al-Awtar* (Desires Fulfillment). Vol.4 Dar Al-Fikr, 1973, p.179.
109. Ibn Hajar Al-Asklany, *Bologh Al-Maram* (Reaching Targets). Dar Al-Kitab Al-Araby, pp.163-164.
110. Yehia Ibn Adam Al-Qorashy, *Al-Kharaj* (Land Tax). Dar Al-Maarefa, 1399A.H., pp.110-11.
111. *Sahih Al-Bokhary*, *op.cit.*, p.53.
112. Abu Obied, *ibid.*, p.27.
113. *Rigal Thikat Irwaa Al-Ghalil*. Vol.6 Al-Maktab Al-Islamy, 1405A.H., p.7.
114. Ibn Hajar Al-Asklany, *Talkhis Al-Habir Fi Takhrig Ahadithh Al-Rifaay Al-Kabir* (Al-Habir Summary of Verifying Prophet's Sayings By Al-Rifaay Al-Kabir). Vol.3 Dar Al-Maarefa, 1984, p.64.
115. Abu Obied, *ibid.*, p.282.
116. *Muslim, op.cit.*, Vol.2, p.684.
117. Hassan, *ibid.*, Vol.2, p. 302.
118. Abu Obied, *ibid.*, p.392.
119. Al-Shafaay, *Al-Omm*. Vol.4 Dar Al-Fikr, 1400A.H., p.43.

Chapter Three

CAUSES OF THE ECONOMIC PROBLEM

The economic problem, according to positive analysis, is embedded in scarcity of resources in relation to the multiple choice of human demands. Therefore, the two conflicting forces of the given pressing problem are: the endless **needs** which differ in importance, and the scarce **resources** which, although limited, have various uses.

The dimensions of the economic problem are accentuated through Robbins' definition of economics. It is based on four conditions: the first two are related to *ends*, one is posed toward multiplicity and the second toward the diversity in importance and priority order. The second two are related to *means*, one asserts its limitation, while the second provides its various uses.

> "None of these four conditions considered by itself, makes an action 'economic'. The ends may will be multiple, but if the means and the time available are such as to satisfy them all completely, no economic problem arises. The means may be limited, but if they are not susceptible to alternative uses, if they can be used in one way only, their utilization does not present economic aspects. And again, even when the means are scarce and applicable to alternative uses, if the ends are equally important then there is no choice.
>
> What is missing in all these cases is an element essential to the economic aspect of human conduct, that is the possibility of exercising choice. Only when the means for achieving aims are limited and applicable to alternative uses, and the human conduct take the form of choice, and so assume an economic dimension."[1]

Is the Western diagnosis of the problem correct? If not, what are the right dimensions of the economic problem as portrayed by Islam? To answer this question we have to scrutinize the two aspects of the problem, namely, needs and resources.

FIRST: NEEDS

The need is a pressing feeling of deprivation to be satisfied. Needs engender the major source of commodity demands, which in turn affect prices and profits. A strong need of a commodity leads to a soar in the price and profit, therefore, increasing its production and vice versa.

Factors leading to the display of needs are either:

1. **Personal**: It depends on the person's living necessities, like his needs of drinking, eating, clothing, residency, treatment, transportation. Some of these needs are incidental like the need of treatment, while others are recurrent as that of drinking. All are general objective needs covering all human beings.
2. **External**: Societies constitute various habits and interests; they are distinguished from each other according to cultural and financial standards. Likewise, a diversity of disparate personal needs are produced.

Eight centuries ago, Al-Dimashki (died 570A.H.), A Muslim scholar, pointed out that, "From within animals, man has multiple needs, among which are natural necessities such as his need of a constructed house, woven cloth, and food industry. Other needs emerge from incidental conditions, like the need of having weapons to defend himself against his enemy, or the need of compound medicine to cure diseases. Each of these needs entail various industries to be made up and realized."[2]

In order to analyze the economic phenomena, it is worthwhile to mention the characteristics of needs:

1. **Liable to Exclusion**: This manifestation is associated with the ability of buying what is needed. There are things that can be divided such as fruits, whereas others are intangible items like national security. Thus, there is either private or public needs, or a mixture of both. Within this framework, the role of the state is determined to provide public services which cannot be accomplished through an individual economics, or to be concerned with mixed commodities. The state does nothing with individual goods.
2. **Rivalry or Integration**: Some needed commodities are integrated like tea and sugar, while others are competitive like tea and coffee. Such a relation play an essential role in determining market prices. The prices of integrated commodities jointly increases. On the contrary, the prices of competitive commodities soar at the expense of each other.
3. **Liable to Satisfaction**: It is well-known that continuous satisfaction or fulfillment of one commodity decreases its utility. The lesser the supply of a commodity the higher its price is and vice versa. However, the need or desire to acquire money is never satisfied, as its demand corresponds to its increase, especially for those who loves money with all their senses. Prophet Muhammad says: "If the son of Adam (human beings) has two valleys of gold, he will strive for a third one. Nothing fills his belly but dust. Allah accepts the penitence of those who repent."

Generally, demands and needs are getting more and more diverse with the augmentation of human desire to live in luxury and prosperity.

The Need Pattern in the West

Needs in the West ramify without limits or restrictions, and without differentiation between what is good and bad, nor between squandering and economizing. All are due to their erection on a positive economy. Man is the point of interest and the end is to satisfy his material needs. On this spot stands the philosophers who consider the optimum good is the state of enjoyment and utility no matter what the repercussions are, while agony alone is the optimum evil. What is good, therefore, is what is useful.

In their analysis of the economic problem, economists first assume that the economic man is steered by his desires in a state of selfishness controlling production, transactions, resource allocation and income distribution. Through graphs and mathematical equations, utility is the first given item which a student of economics accounts in economic analysis. Rationality is defined by the greatest possible output with least costs, and the greatest possible extent of satisfaction with lowest income. This is considered to be the entire scientific thinking of the subject, no matter whether such satisfaction destroys human health and psychology, or injuries cohesiveness of society.

Under these circumstances, man in the West is confronting a set of irremediable problems which afflict his family life and menace the societal congruity. We postulate that human behavior and attitudes are the main reason behind the complexity of the economic problem. The following are some of the behaviors pursued:

1- *Impurities*

The prime purpose of life is to acquire the maximum possible income in order to realize the greatest possible satisfaction within the framework of the prevalent prices. At the international level, state development is measured by the na-

tional income and the per capita share. All are regardless of values or morals.

For instance, today fornication in Western societies is considered an acceptable normal sexual experience, whether in the form of adultery or homosexuality. Also, those young ladies who are still virgin are seen as having psychological disturbances. Abortion is not only promoted but also converted into a crucial necessity which deserves funding, advertising campaigns and international conferences. In the United Kingdom, electoral councils were not embarrassed to accept programs of interest groups which are formed promoting to homosexuality, permitting its practice.

It is not strange that the developed Western world is confronting a dreadful diminution in population growth, while looking at the overpopulation in the Third World as an explosive bomb that threatens the West. According to Western conceptual context, the best encounter to this threat is to export its own endemic, disregarding the possible existence of religion and values which may resist such moral decadence. As a consequence, the spread of AIDS, an irremediable disease, constitutes an immense calamity afflicting the Western entity. Nothing can be prescribed to avoid this disease, but to seek morals and family life. In addition, the rates of crimes like rape and robberies are increasing tremendously to the extent that millions of dollars are spent to open prisons, expand police facilities and judicial organizations. In the West psychotic and neurotic patients fill up the hospitals and psychiatric clinics.

Now, goods and commodities, which are produced by developed countries, correspond to their social style of living, perception of the world and the meaning of life. For example, as early as in the adolescence stage, young people, girls and boys, start their independent life away from their families. Therefore, more residencies should be available, means of

entertainment to combat the feeling of loneliness should be provided, as well as a wide variety of consumptive goods should be supplied to soothe down worries. In such an atmosphere, it is natural to find the prevalence of tobaccos, drugs and alcoholics, despite their harmfulness to public health and development. The burden is shouldered by the government to cover up the expenses of treatments.

A study on addiction issued by the International Labor Office showed how addiction uselessly absorbs millions of dollars while destroying millions of people. The rates of alcoholic and drug consumption are rising, e.g. in the Unites States almost $120 billion are spent on alcoholic drinks, which are in turn accompanied by car accidents, cardiac and liver diseases and cancer.

2-*Unjust Income Distribution*

Due to the unbalance in the income distribution structure, there are low income recipients who cannot fulfill their basic needs to the extent that they are indebted. The rich are getting richer and the poor are getting poorer under the local non-effective consumption and unsatisfactory financial aids, whereas the well-to-do are people provocatively indulged in luxurious living through useless squandering and monopoly.

Lamentably, this is an evident reality which is not only depicted by the Western media but also supported by statistical studies by national organizations. For instance, professors of economics at Princeton University in the United States say:

> "...some observers feel that the unequal distribution of income in our society is unjust, that it is inequitable for the super rich to sail yachts and give expensive parties while poor people live in slums and eat inadequate diets. People who hold these views are disturbed by the fact that supply-side tax cuts are quite likely to make the distribution of income even more unequal than it already is."[3]

Social security in the United States is considered a kind of insurance not a means for income distribution.

> "Yet about 58 percent of the 138 billion dollars in social security payments made in 1981 went to low-income households... At the same time many of the benefits of some 'low-income' programs go to middle and upper income people. All elderly are eligible for Medicare not just the indigent age; only about 13 percent of Medicare recipients were below the federal government's poverty line...In 1981, 41.5 percent of all households below the government official poverty line received no benefits under any of the four programs."[4]

The situation continues in its deterioration, although there are attempts from reformers to improve conditions, which are resisted by capitalist adherents. The latter assume that the mere solution to any problem is to let the poor live on the residues of the rich who, in order to keep up with progress in society, should not bother themselves with the burden of the poor. Followers of this view do not find it embarrassing to see homeless and impoverished people living astray in the streets of developed countries.

3- *Mass Media Persuasion*

Mass media play an essential role in broadening the scope of needs and wants through persuasive methods penetrating every household via newspapers, magazines, radios and television, even satellite links which cover the entire globe. Instead of elevating mankind to horizons of development and mutual understanding, mass media abrogate values and morals to serve the interests of the well-off. It is important to pinpoint here that we are not against human welfare; nevertheless, we reject what harms and destroys mankind. The following are how the mass media contribute in such harm by pursuing negative methods:

a. The target of advertisements is to influence and persuade the audience regardless of what is true or false, no matter exaggerating or even lying while presenting information.
b. Ignoring what is good or bad, the media's main interest is to activate the demand to sell a certain commodity. For instance, beside its being a harmful commodity, an advertisement on cigarettes attracts the viewers' attention by presenting a beautiful inviting lady smoking.
c. On the international level, the developed world stimulates the desires and imitation complex in the masses of the Third World who became submerged in debts for the sake of vainglorious consumption.
d. What benefits or harms people is not the issue of advertising but its concern is to incite the people's desires to increase the size of selling.

Thus, we are in front of a contagious needs pattern which crucially requires scrutiny and treatment to ensure sound and safe human life on earth. Still the utilitarian thought postulates that pleasure or satisfaction is the absolute end to be sought, a state degrading human beings to the animal way of living which is based on instinctive desires and lacks the sense of cognizance and contemplation. In addition to criticism posed against the utilitarian thinking, Allah describes those ridden by their desires as:

﴿لهم قلوب لا يفقهون بها ولهم أعين لا يبصرون بها ولهم آذان لا يسمعون بها أولئك كالأنعام بل هم أضل أولئك هم الغافلون﴾

﴿They have hearts wherewith they understand not, eyes wherewith they see not, and ears wherewith they hear not. They are like cattle, nay more misguided; for they are heedless (of warning).﴾ [5]

Nonetheless, in this state, man ends up to be worse than beasts, who organize the fulfillment of their instinctive needs,

without squandering or self-damage. Restricting his spiritual growth, while illusively believing that his comfort resides in lusts, man excessively pursues his desires which eventually drive him to self-destruction, thus becoming worse than beasts.

﴿إن شر الدواب عند الله الذين كفروا فهم لا يؤمنون﴾

﴿For the worst of beasts in the sight of Allah are those who reject Him; they do not believe﴾[6]

The needs and wants within such context must produce a problem. Hence, we are in a dire need to be released from the chains of imitation and dependency for the sake of better future of the whole mankind. In our opinion, salvation is embedded in the implementation of Islamic rules and ordinance in the positive economic body.

Islamic Rationalization of Needs

To set pleasure and satisfaction, as the only maximum aim to be aspired, does not correspond to the mental and contemplative capabilities of human beings. Sound life stands on self-regulation so as not to be indulged in covetous and lustful settings. Al-Biadawy (died 791A.H.) says: "Most of the obligations by nature are reluctantly executed by the self, although they are the forms of righteousness and cause of success; what is forbidden is desirous and cherished by the self despite encompassing means of destruction."[7]

Ibn Taimiya (died 738A.H.) asserts that: "Absolute utility is either pure or preponderant. If it prevents preponderance or leads to harm,...it is incorrect to be considered. Also, what seems to be useful while it is not, or that from which corruptive pleasure is derived, is not utility at all...Therefore, what is forbidden by Allah and His messenger is vain, which never contains utility, pure or preponderant."[8]

Moreover, Al-Imam Al-Ghazali (died 505A.H.) further illustrates: "All affairs are divided to what is beneficial in both the mundane world and the Hereafter like science and proper behavior, and to what is harmful to both worlds like ignorance and bad conduct. Also, there is a benefit now and a harm later, as seeking pleasure by pursuing instincts; and there is a harm in a condition and a benefit later, such as suppressing desires and resisting lusts.

It is a real grace when utility and benefit are derived both now and later as the case of science and proper behavior. What is harm is affliction and the antithesis. When utility derived in the present condition and harm later. This is a pure misery in the sight of those discerning, while the ignorant sees it gracious, like when the hungry looks at honey carrying poison. On the contrary, what hurts and seems harmful now while it is beneficial later is considered gracious for the wise and an affliction and agony for the ignorant. Typical of that is the medicine with its bitter taste, while it is a cure for diseases and pains.

The grace is a display of pleasure. The nature of man can derive three kinds of pleasure:

1- Intellectual pleasure: it is the pleasure attained from science and wisdom. Thus, it is not enjoyed by the senses of hearing, seeing, smelling, tasting, eating or sex, but rather the heart, as represented by the mind, is the only organ being pleased. Confined to human beings, this is the least enjoyed and the most honorable pleasure on earth.
2- Common with some other animals, man derives pleasure from having power, sovereignty and appropriation; this is seen in animals like lions, tigers, etc.
3- Common with all creatures, man attains pleasure from eating and sex. This kind of pleasure is the most common and inferior.

Those who can overcome the indulgence in the third rank of pleasure are obsessed by power and sovereignty. Being able to suppress the second rank pleasure, man is hoisted to the enjoyment of science and wisdom, even to the level of being knowledgeable of Allah, His acts and attributes. This is the rank of saints."[9]

Al Shattbi said, "Allah created all creatures unaware of their gains in the mundane world and the Hereafter.

﴿والله أخرجكم من بطون أمهاتكم لا تعلمون شيئا﴾

﴿And Allah brought you forth from the wombs of your mothers when ye knew nothing﴾[10]

Then gradually He introduces knowledge and understanding throughout different stages of life-span, either by inspiration, e.g. inspiring the infant to suck the breast, or by education. Thus, people are required to learn in order to be informed with their interests and be able to ward off mischief that might emerge from their innate desires. Basically, detailed benefits and interests entails learning and education in actions, sayings, sciences, beliefs, morals and ethics, so as to join the instinct to his actions and conditions, shown in him and in his behavior."[11]

Allah permits people to seek the adornments they love and pleasure they enjoy without narrowness.

﴿قل من حرم زينة الله التي أخرج لعباده والطيبات من الرزق قل هي للذين آمنوا في الحياة الدنيا خالصة يوم القيامة كذلك نفصل الآيات لقوم يعلمون﴾

﴿Say who hath forbidden the adornments (gifts) of Allah which He hath brought forth to his servants, and the good things (clean and pure) of His providing? Say they are, in the life of this world, for those who believe, and purely for them

on the Day of Resurrection. Thus do We explain the Signs in details for those who understand.﴿[12]

The concept of asceticism in Islam is not to prohibit what is permitted or to deplete wealth, but to trust in what is in the hands of Allah than what is in your hands, in order not to regret.

﴿لكيلا تأسوا على ما فاتكم ولا تفرحوا بما آتاكم والله لا يحب كل مختال فخور﴾

﴾In order that ye may not despair over matters that pass you by, nor exult over favors bestowed upon you. And Allah loveth not any vainglorious boaster﴿[13]

Enjoyment and delight must neither be derived at the expenses of others, so Allah notifies believers to take care of their behavior accompanying piousness while seeking pleasure, considering that the act of abstaining from pleasure is a kind of transgression.

﴿يا أيها الذين آمنوا لا تحرموا طيبات ما أحل الله لكم ولا تعتدوا إن الله لا يحب المعتدين * وكلوا مما رزقكم الله حلالا طيبا واتقوا الله الذى أنتم به مؤمنون﴾

﴾O ye who believe forbid not the good things which Allah hath made lawful for you, and transgress not. Allah loveth not transgressors. * Eat of that Allah hath bestowed on you as lawful and good and keep your duty to Allah (fear Him) in whom you believe.﴿[14]

Al-Shattbi said, "It is said that this verse has been revealed to show that the abstention from the pleasures of that which are lawful and good as a sort of being more religious or ascetic is not just forbidden by Allah but He considered it a

crime, transgressing His ordinance. Al-Rabi' Ibn Ziyad Al-Harithy reported that he went to the Fourth Caliph, Ali Ibn Abu Taleb, to advise him on the conduct of his brother Asim. Ali said, "What is the matter with him?" Al-Rabi' said, "He wore a cloak wanting asceticism." When Ali met that man he frowned at him and said, "Aren't you ashamed from your wife? Don't you feel pity for your children? Do you think that Allah permitted good things and hates who takes any of His (bestowed gifts)? But you are smaller than this? Haven't you heard the Quranic verses from ﴿والأرض وضعها للأنام﴾ ﴿It is He who has spread out the earth for His creatures﴾[15] to the verse ﴿يخرج منهما اللؤلؤ والمرجان﴾ ﴿Out of them come pearls and corals﴾[16]. Allah allowed these for His servants (all creation) to utilize and enjoy, express gratitude to Him and so He rewards them. Using divine graces and gifts in action is better than mentioning them verbally." Asim retorted, "What about your rough cloth and food?" He answered, "Woe unto you! Allah ordained Imams of Truth (leaders) to behave like weakest people."[17]

After bringing forth good things and gifts for His servants, He set up regulations to derive from them the needs:

1- *Forbidding Impurities*

The word good carries two meanings:
a-What suits and pleases the self.
b-What Allah permits.
Also, the word impurity carries two meanings:
a-What is useless (has no benefit).
b-What is rejected by the self. [18]

﴿قل لاأجد فيما أوحي إلي محرما على طاعم يطعمه إلا أن يكون ميتة أو دما مسفوحا أو لحم خنزير فإنه رجس أو فسقا أهل لغير الله به فمن اضطر غير باغ ولا عاد فإن ربك غفور رحيم﴾

﴿Say I find not in what is revealed to me anything forbidden to an eater that he eats thereof, except it be dead meat or blood poured forth or swineflesh, for that verily is dirt or abomination which was immolated in the name of other than Allah, but (even so) if a person is forced by necessity without willful disobedience nor transgressing due limits, thy God is Oft-forgiving Most Merciful.﴾[19]

Therefore, the permission in everything is intrinsic, unless it is proved to be forbidden. For example, the above verse denotes the prohibition of the following:

- *Dead meat*, i.e. the meat of an animal that died before slaughtering or hunting. Fish is an exception. Allah says:

﴿أحل لكم صيد البحر﴾

﴿Lawful to you is the pursuit of water -game﴾[20]

- *Blood*: *Ulammas* (religious scholars) consent that blood is a kind of dirt ineligible for eating or for any benefit. Forbidden blood must be poured forth, whereas liver and spleen are permitted.[21] Prophet Muhammad says: "It is lawful to eat two (kinds of) dead meats and two (kinds of) bloods. The two dead meats are the whale (fish) and locusts, while the two bloods are the liver and the spleen."[22]
- *Swineflesh*: It is entirely forbidden, flesh, meat, grease, etc.[23]
- *Immolated in the name of other false gods than Allah*: Not mentioning, in general, the name of Allah on it, or even more being immolated in the name of other than Allah obligates prohibition.[24]

- *Intoxicants*:

﴿يا أيها الذين آمنوا إنما الخمر والميسر والأنصاب والأزلام رجس من عمل الشيطان فاجتنبوه لعلكم تفلحون﴾

﴿O ye who believe! intoxicants, gambling, (dedication of) stones, and (divination by) arrows, are an abomination of Satan's handiwork. Eschew such (abomination) that ye may prosper.﴾[25]

All jurisprudents agree that drugs must be literally treated like any intoxicant since they cause inebriety and hurt the human body like liquor or even more. The Prophet says: "All which cause drunkenness (or inebriety) are intoxicants and all intoxicants are forbidden."[26]

- *Silk and gold are forbidden for men and permitted to women.* Also it is prohibited to eat and drink in containers made of gold or silver. This is according to the *hadith* (Prophet's saying): "Gold and silk are lawful for the females of my nation (Muslims) and forbidden for its males."[27] "Do not drink in gold-made and silver-made jugs; do not wear silk brocade and silk (cloth) for it is for them (unbelievers) in this world and for you in the Hereafter."[28]
- Fornication or adultery is forbidden. Allah says:

﴿ولا تقربوا الزنا إنه كان فاحشة وساء سبيلا﴾

﴿Nor come nigh to adultery, for it is a shameful (deed) and an evil, opening the road (to other evils).﴾[29]

Al-Shattbi indicated that "the immediate pleasure attained from an adultery is not worth the drudgery of its pursuit. Assuming that it encompasses a benefit in the mundane world, it must be certified by law (religious rules), a condition for being beneficial. There are many states of being considered by man as pleasures and benefits while they are not, since they are contradicting the law like adultery, drinking alcoholics and

other appearances of lasciviousness and disobedience as related to a prompt purpose. Therefore, heedlessness in action does not result in harvesting the fruits neither in this world nor the Hereafter, beside delaying harvesting from what should have not been done."[30]

We have mentioned in the section about needs in the West that the negative repercussions of impurities such as alcoholics, drugs and adultery. Here, we add that, based on scientific research, swineflesh contains poisonous elements causing diseases like inflammation of the gallbladder, biliary choleric, inflammation of the stomach lining, symptoms of typhoid and enzymatic acuteness, boil of sweat glands and liver fibrosis.

A manager of one of the butcheries in the United Kingdom discovered that electric shocks without blood release cause meat to be spoiled even if in refrigerators, as its color turns to be dark gray. He recommended veterinary doctors working in the company to slaughter the animals with a method which assures the release of blood. Allah says:

﴿ولا تأكلوا مما لم يذكر اسم الله عليه وإنه لفسق و إن الشياطين ليوحون إلى أوليائهم ليجادلوكم وإن أطعتموهم إنكم لمشركون﴾

﴾Eat not of that whereon Allah's name hath not be mentioned; it is impiety, as devils inspire their followers to argue with you. But if ye obey them, ye will be indeed polytheists.﴿[31]

Ibn Al-Arabi (died 543A.H.) says: "A polytheist is polytheist through his obedience to a polytheist, especially in matters concerning belief and disbelief. If he obeys him in action but continues to believe in the monotheistic faith, he is sinful. Apply that in all situations."[32]

2-Religious Understanding (Jurisprudence) of Priorities

According to Al-Shattbi, the religious obligations (in Islam) are ordained to preserve the purposes of creation meant for it. The purposes do not exceed three divisions: necessities, needs and improvements.

The *necessities* purposes serve the interest of religion and the world. If its obligations were violated, the worldly interests lose straightforwardness, leading to corruption, chaos and missing life. Additionally, in the Hereafter salvation and prosperity are lost ending up in a complete failure.

To avoid loss, two ways are proposed: first, to fix the basis of its pillars through keeping up with their existence; second, to ward off any disorder, manifested or expected, to avoid their annihilation. There are five necessities: the protection of religion and the spirit, progeny, money, and mind.

The purposes for *needs* are those things which are in need of in order to broaden capability so as to eliminate narrowness of living (poverty) which most probably causes hardship and anguish. Thus, if needs are not fulfilled the believers are prone to affliction and live in narrowness, but the expected corruption (or disobedience) does not reach public interests.

The purposes of *improvements* are to follow merits of habits and avoid defilement which is refuted by discerning thought. This also includes good and noble morals.[33]

The Islamic law realizes just income distribution, so being the right of the poor, alms are annually taken from the rich. Also, expiatory gifts, waqf and charities, all support just distribution. That is the positive perspective. Combating the negative part of living, usury, monopoly and all means of eating up money in vanity are completely forbidden in Islam.

Moreover, in the Islamic conception, the existence of a needy individual in a society is a bad thing that affects the whole society. The Quran and *Sunna* (the Prophet's enact-

ment) are quite adequate in normal situations to eliminate roots of poverty and insure just income distribution. However, in exceptional cases, e.g. during drought or hunger, which require the intervention of Allah, priorities must be considered concerning needs and production in order not to aggravate the living of the needy and poor.

Al-Nawawi (died 676A.H.) proclaimed that the poor and the needy should be supported to fulfill their needs and obtain their subsistence. In this concern, cases and people differ, the craftsman who does not have the tool (equipment) to work should be given the price of the tool to buy it no matter what its value is.[34]

Furthermore, Al-Bohoty Al-Hanbali (died 1051A.H.) said that the poor and the needy and their families should be supported to a subsistence level by alms for a year, since alms are given repetitively every year, allowing the subsistence of another year. Also, the one who has property or wealth, even more than *Al-Nisab* (minimum amount of property liable to payment of alms) but does cover a subsistent level of living for him and his children, he is not considered rich and thus, is eligible to receive alms. Richness is defined as what exceeds the subsistent level.[35]

In positive economy, there is no concern to needs unless they are associated with the buying force. Therefore, if the individual who is in need of something, whatever the importance of its necessity, but he is incapable of paying its price, his need is excluded from his calculation or concern. On the contrary, in Islam, it is basic to support a needy person unable to work or has no chance for work, not just to fulfill the fundamentals but to keep him away from burden and narrowness.

Moreover, Islam not only supports the needs of living of the present generation, but it also balances between the needs of the present generation and that of the future. For instance, cited by the Companion Saad Ibn Abi Wakkas, "I said to the

Prop
third of my wealth? He answered: 'No', I said: 'The half', then he said: 'One-third and one-third is a lot; if you leave
e-
pendent on people. If you spend any amount of money seeking Allah's pleasure, you will be rewarded for it, even if you spend it on your wife."[36]

Balancing between the rights of the present and future generations is shown in the event when Omar Ibn Al-Khattab refused distributing the newly acquired lands among the warriors considering the right of the coming generations as noted in the Quranic verse,

﴿And those who came after them.﴾ [37] ﴿والذين جاءوا من بعدهم﴾

He said, "That was generally for those who came after them, emigrants(from Mecca) and supporters (from Medina), this war booty became for them all, so how can we divide it among them, leaving the share of those coming after them."[38]

Paying heed to this fact, a specialist in public finance, indicated:

> "Those now living may affect the welfare of future generations in various ways. A time dimension further adds to the complexities of the distribution problem."[39]

Unfortunately, the backward countries are consuming luxurious goods with external debts, posing toward the curses which will fall on the coming generations when they will be overloaded with debts. Where is this from Omar's model in applying Allah's ordinance to enforce a relation of love and gratitude between succeeding generations as described by the Quran:

﴿والذين جاءوا من بعدهم يقولون ربنا اغفر لنا ولإخواننا الذين سبقونا بالإيمان ولاتجعل فى قلوبنا غلا للذين آمنوا ربنا إنك رؤوف رحيم﴾

❬And those who came after them say: "Our God forgive us, and our brethren who came before us into the faith and leave not in our hearts rancor (or sense of injury) against those who have believed, our God thou art indeed full of Kindness and Most Merciful.❭[40]

3- *Economizing Expenditure*

Al-Ezz Ibn Abdel Salam (died 660A.H.) says, "The state of economizing stands in the middle between two positions or states of conduct, namely, niggardliness and extravagance, in fulfilling interests. The best stance is that being moderate between the two extremes of niggardliness and extravagance. Thus, the person shoulders himself only with benevolence and obedience which can continue to do without feeling bored."[41]
Allah says:

❬والذين إذا أنفقوا لم يسرفوا ولم يقتروا وكان بين ذلك قواما❭

❬And those who, when they spend, are neither extravagant nor niggardly, but hold a just (balance) between the two (extremes).❭ [42]

In explaining this verse Ibn Attia says: "Lawful behavior is that man neither squanders until a right or responsibility of subsisting others is lost, or so, nor narrows down living in parsimony to the extent that makes his children starve. The best thing is straightness, i.e. justness. The straightness of every person depends on his family and condition, as well as his ability to be patient and persistent or having other characteristics, but the best state is to be in the middle."[43]

Ibn Al-Arabi pointed out that, "extravagance restrains right...and leads to incorrect spending. If someone asks: 'Who spends on lusts is he considered an extravagant person or not?' We will say, who spends his wealth on lusts excessively exceeding his needs, making his money vulnerable to deple-

tion; then he is an extravagant, whereas the one who spends his earnings on lusts, keeping up his capital, is not an extravagant. However, who spends two dirhams (an Arab currency) in a forbidden thing, so he is an extravagant to be interdicted for paying a dirham in a forbidden item, while interdiction is not enacted if he spends on lusts, unless it is feared that he will fall in depletion."[44]

The Holy Quran censured luxury and warned from extravagance, as the poor can be extravagant but he is prodigal with grace and divine gifts. Al-Alosy (died 1270A.H.) says, "Those who live in luxury are: those living in ease and comfort, including seniors and kings; luxury is prodigality of grace and affluence."[45]

Three drawbacks occur to a luxurious society:

1- Lasciviousness (transgression)

﴿وإذا أردنا أن نهلك قرية أمرنا مترفيها ففسقوا فيها فحق عليها القول فدمرناها تدميرا﴾

﴿And when we decide to destroy a population, We send commandment to its folk living at ease, and afterward they transgress (commit admonition) therein, and so the Word (of doom) hath effect for (deserve it), and We annihilate it with complete annihilation.﴾ [46]

2- Oppression (injustice)

﴿وكم قصمنا من قرية كانت ظالمة وأنشأنا من بعدها قوما آخرين * فلما أحسوا بأسنا إذا هم منها يركضون * لاتركضوا وارجعوا إلى ما أترفتم فيه ومساكنكم لعلكم تسألون﴾

﴿And how many a community that dealt unjustly have We shattered and raised up after them another folk * And, when they felt Our Punishment (coming), behold them fleeing from

it * (But it was said unto them: Flee not, but return to life of luxury and homes, they ye may be questioned.❫ [47]

3- Disbelief (Infidelity)

﴿وما أرسلنا فى قرية من نذير إلا قال مترفوها إنا بما أرسلتم به كافرون﴾

❪Never did We send a Warner to a population, but those among them living in wealth and ease said: we believe not in the (Message) with which ye have been sent❫ [48]

In his interpretation, Al-Razy (died 370A.H.) said: "The one who lives in luxury is the one who is given grace (of Allah) or providence a sense of luxury (comfort). Apparently this is not entitled to disapproval. However, this explains the disgracefulness of what is mentioned about them afterwards, since disbelief (infidelity) emerges from those who live in utmost comfort and ease. It is, therefore, verily the most disgraceful and ugly thing."[49]

Furthermore, Al-Shibany (died 189A.H.) differentiated economizing from other conditions in the following four levels:

- The extent to which one spends to fulfill his subsistent needs and strengthen his obedience, then he is rewarded not punished.
- Exceeding the subsistence level to full satisfaction is permitted, but will be questioned on lightly on the Day of Judgment..
- Satisfying desires and attaining pleasures through lawful means is permitted but man will also be questioned on it, as he is required to be grateful for graces bestowed unto him and to feed hungry people.
- One is punished if he seeks more than the full satisfaction level, e.g. to eat more than full satisfaction is prohibited.[50]

In Summary:

The Western pattern of needs as based on pleasure, denying values for rationalization, led to a severe problem. The Islamic pattern of needs, on the contrary, considers the mundane world a means, while rationalizing satisfaction with values and morals, which in turn restrains the problem. First, the effect of impurities in the Western consumptive model contradicts that of the good things in the Islamic consumptive model. Second, unjust income distribution resulted in the widespread of poverty as well as luxury in the Western society, while the traces of jurisprudence (*fiqh*) of priorities on the Islamic society are embodied in caring for the poor and considering the rights of future generations. Third, the mass media persuasion is directed toward excessive consumption as transcending needs, whereas the Islamic training of economic behavior is steered away from extravagance and parsimony (niggardliness). As a conclusion, rationalizing the needs sector through religious values and rules secure the Muslim society from many afflictions causing critical problems in the Western society.

SECOND: RESOURCES

We have been dealing with the economic problem in respect to needs. Now, we will scrutinize the problem from the resources perspective, in order to analyze the economic assumption which states that scarcity is the cause of the economic problem.

In an attempt by to scientifically study the possible resources on earth in relation to human beings, Collins and Lappe reached a conclusion asserting that the economic problem is not a matter of scarcity but one of human behavior problem.

The Abundance of Resources

The study shows that according to a report issued in the late sixties by the U.S. President's Science Office as well as academic studies carried out by Iowa University, only 44% of the total fertile land in the world are cultivated. In both Africa and Latin America less than 20% of their agrarian lands are cultivated. Furthermore, the production of cereal crops in developing countries can be doubled before that of the industrial countries reaches average production. Research also assures that there is not any physical cause which can hamper the feddan production in the developing countries to excel that in the developed ones. In many developing countries the lands which produce one crop per year can yield two or more crops.[51]

Meanwhile, based on U.N. statistics in 1970, the Third World produces 70% of the world petroleum, in addition to embracing rivers capable of generating electric energy. The Third World constitutes 68% of the raw cotton of the world, 100% of natural rubber, 40% of crude iron, 64.5% bauxite, 48% of copper, 89% of manganese, 92% of chromium, 36% phosphate, 93% of tin.[52]

The Arab United Report for the year 1987 elucidated that 28% only of the total fertile areas in the Arab World is used in agriculture, as 84% of such cultivated areas depend on rain water for irrigation.

Collins & Lappe examined the case of Bangladesh as an example of a country where sweeping overpopulation outbalanced resources to produce food supply, as there are 80 million people living in a country the size of England and Wales. Although, initially, they thought it was an exception to what they had discovered for other countries, i.e. the abstract physical limitations were not the cause of hunger, they found out something else. Despite its poorly utilized resources, Bangladesh produces cereals which alone can provide every person 2300 calories a day. However, the World Bank figures

indicate that half the households consumes less than 1500 calories per person, a minimum subsistence level of living, in addition to this one-third of the population suffers from lack of protein and vitamins.

As a matter of fact, the case of Bangladesh is not only denoting the absence of the scarcity problem, but it fosters all means to much more food production. Adding to its rich tropical climate (sun and water), Bangladesh amazingly comprises fertile silt soil through which run three rivers with their endless tributaries. Considering Bangladesh's faculties in food production, the U.S. Congress Report for the year 1976 inferred that being rich in land, water, labor, and natural gas for fertilizers, Bangladesh can not just be nutritionally self-sufficient, but it can be a source of food supply even with its accelerating population growth.[53]

The Causes of The Problem

The economic crisis is therefore not a result of scarce resources; what are then the factors which led to this situation from the resources aspect?

1- *Wars*

Undoubtedly, international conflicts to exploit weaker nations cost mankind tremendous human and material losses. These conflicts has driven this century into a disciplined insanity through the eruption of two World Wars which, as well-known to everybody, using nuclear arms, ended in expansive military and civilian destruction and casualties. In Addition, the outburst of regional wars can be detected everywhere in the globe, employing costly arms. Thus, more than 87 millions deaths were reported as casualties of wars in the twentieth century.[54]

It is troublesome that the developed countries incite the outbreak of such regional wars to sell their arms products to flourish their economies. When we look at the ruins of wars,

we can say that the selfish and aggressive behavior of the West together with the backwardness and subordination of the Third World are behind the economic problem inflicting mankind, living in sufferance, narrowness, hunger and fear.

2- *The Pollution of the Environment*

Man in the twentieth century has been exposed to nuclear radiance, triggering the American decision to drop atomic bombs on Hiroshima and Nagasaki. Million of people were killed and many others were injured by the radiance complications. Environmental pollution became a public problem. Today, calls are raised to warn of the consequences of the environmental pollution caused by the Western greed in consumption and drive to control and master; this obscures the vision of the extent of spoiling and corruption imposed on the earth's climate and resources. Air, water and soil all are polluted. The nuclear radiance, Ozone hole, industrial wastes, or exhausts of vehicles, all are enough to bring about a catastrophe which will engulf the whole earth, with its resources and populations.

3- *Eating up Wealth in Vanity*

The bad conduct of eating up wealth in vanities leads to a decrease in production, since it impoverishes who is being exploited, as the production cycle depends on all in demanding consumptive goods. The incapability of the exploited leads to a crisis on the part of the exploiter. For example, colonization impoverished the Third World which in turn decreased the demand for the colonizers' commodities. Nonetheless, if just transactions had existed the standard of all would have been raised through active demands.

Monopoly in its economic conception is realized only through decreasing production to raise prices; as a result, the livelihood of people is decreased, not because of scarce resources but rather of the monopolists' greediness.

Usury, whether in the form of banking or loaning, benefits the usurer, but it hinders back the investor from augmenting his production when the rate of the loan interest surpasses profit. Also, the national economy is negatively ifluenced by usury, as idle human and material resources cannot be invested since returns obtained will be less than the costs of usury.

4- *Colonization*

Colonization used up the resources of the occupied country. We will go through some of the examples given by Collins and Lappe.

Naturally, Africans cultivate various kinds of agricultural crops including imported food crops from Asia and America, but the occupational rule cut down the multiple agrarian production to one cash crop, setting aside major food crops. Furthermore, during the harvesting of fruits of hunger, Tropical Ghana, once famous for palm and food crops was obliged to concentrate on cocoa only, and thus of the Gold Coast relied on cocoa. In addition to Liberia which was transformed to just a farm linked to the tire and rubber company (Fire Stone), food production was abandoned in Dahomey and south Western Nigeria to be replaced with palm oil. Also, Tanganyika (now Tanzania) was forced to plant sisal, and Uganda to plant cotton.[55]

About the Niger in the occupation period, Thonton Clark spelled out a provocative picture of that time. The Niger was economically a self-sufficient country till the advent of the French colonizers who compelled farmers to cultivate crops for exportation, particularly peanut and cotton. Cotton was essential for the French textile industry, since Britain controlled most of the cotton sources. As for the peanut, it was important to introduce a cheap alternative to the coconut oil prevalent in France at that time.[56]

Even prior to the French occupation in the late nineteenth and early twentieth centuries, the African civilizations were exposed to a severe damages launched by two centuries of compulsive emptying out of civilian population, as millions of strong youth were forced to depart as slaves for the new land.[57]

In order to answer a question like "why cannot the mother feed herself?", we should first understand how the colonizer positively worked out to prevent specifically that. The colonization:

- forced farmers to replace food crops with cash crops, and then they were forced to sell with extremely low prices.
- occupied best fertile lands to transform them to crop farms for exportation, compelling strong labor to leave their village fields to work as slaves or forced them to move out with the extremely low-wages in these farms.
- encouraged the dependency on food imports.
- prohibited the competition between cash crops produced by local farmers and that produced by settlers or foreign companies.[58]

Such exorbitant exploitation did not stop at these conditions. The prices of the export commodities were taken in return of having Western luxurious goods. For instance, the worst period of drought, 1961-1971, suffering from a noticeable malnutrition and an average life span not exceeding 38 years, the Niger increased its cotton production four times and that of the peanut three-times. The outcome of the two crops in 1971 was equal to 18 million dollars, but 20 millions of the foreign currency were devoted to clothing imports, which was equal to nine-times the value of raw cotton exports and a million dollars were spent on buying private cars, while more than four millions went to fuel and tires. During the three years from 1967 to 1970, the number of private cars was raised to 50%, most were driven by the small capital-resident

elite. Also, more than million dollars were disbursed on alcoholic drinks and tobacco products. Collins & Lappe added that when they were in Niamey, they saw the elite families had their shopping from the supermarkets, which imported luxurious goods from Paris including funnels for ice-products. Hence, when a portion of the export profits were used in importing food, it does not reach the poor labor through whom cotton and peanuts were produced, but provided the urban rich classes.

Senegal, another example, spent more than half its foreign currency, which was obtained through peanut exports in 1947, to import wheat for the French-owned mills which prduced flour to make French bread for urban dwellers.[59]

When a developing country is a producer of raw materials and sells to a Western or developed country it attains about 10% only of the end-user price, even if it is sold in any form. On the other hand, the price of the American wheat, in spite of being a primary commodity soared 204% in the period from 1968 to 1974, whereas the price of cocoa, a developing country product, during the same period increased only 8.5%.[60]

Bananas constituted, in the period 1970-1972, 58% of total exports in Panama, 48% in Honduras, 31% in Somalia. Despite being the most important fresh fruit in international trade, the price of bananas were reduced by 30% during the last twenty years, whereas the prices of the fabricated goods increased. In 1960, three tons of banana were equal to the price of a tractor which in 1970 became equal to eleven tons of banana. It is difficult to decide to cultivate or stop the production of banana according to price fluctuations, because the full ripeness of banana takes two years, while it takes a decade or more for the cocoa tree to produce its first yield.[61]

Based on prices determined by offers and bids in futures market, production is sold via intermediaries and specialized

companies in New York, London, Paris, Amsterdam, and Hamburg. The process of selling is undertaken by a small group of people, who usually have nothing to do with the crop cultivation. Their job is to gamble in an actively fluctuating and rapidly changing market, since to know how to speculate correctly can bring in lots of money. In a seminar for directors of agricultural companies, held in 1975, a member in Chicago Board of Trade once pointed out that stability is the only thing which they cannot deal with.[62]

5- Prodigality with Divine Bestowal

Repulsive Western behaviors are embodied in constraining production or destroying surplus to keep up with the price. For example, to raise the price of wheat, a former American minister of agriculture decreed the exclusion of five million feddan of wheat from the production of the year 1972. Then the value of this idle total area was lifted to 62 million feddan, an area equal to the total cultivated area in the United Kingdom.

The applied shortage of international agriculture to fulfill the needs of the majority of people and the uselessness of the entire plot was displayed in a fact presented by a study by the Faculty of Commerce, Harvard University. In Latin America, at least 65% of fruits and vegetables produced for exportation are literally discarded in garbage, or used to feed cattle; this is either because these products are confronted by a satisfied market of the United States or not meeting quality expectations of U.S. consumers, whereas the local citizens are incapable of buying them because of their poverty.

In spite of the jingling words of development and the widespread malnutrition in Senegal, all production is directed to the consumers of the Common European Market, while in 1974 alone taxes paid by Europeans reached 53 million dollars to get rid of the vegetables produced in Europe to keep prices high.[63]

The U.S. Ministry of Agriculture declared that the production of the 1978 winter wheat crop would be lessened by 12% of the earlier year. *The New York Times* published that the ministry referred its decision of minimizing production to the American farmers who cut down the cultivated areas as a reaction to diminishing prices. Meanwhile, in 1977, three accidents were announced in one week of burning U.S. cereal storehouses.

Despite the one-third decrease in the world storage of food cereals, the United States prevented the cultivation of areas suitable for planting food cereals, being satisfied with the production of about 24 million tons, a quantity imported by the developing countries. It is, therefore, obvious that the main concern is to insure the producers' standard of living, even if it is on the expense of the Third World starvation.

Looking back at the black imperialist monopoly, we find that during the 1929-1932 economic depression, these monopolies were manifested in throwing in the oceans thousands of tons of cereals, coffee and other food crops, while nations were starving and millions dying of hunger. More recently, during 1974, countries of the Common European Market spent 127 million German mark to eliminate thousands of tons of fruits and vegetables and to eradicate cattle herds. Moreover, in the same year the United Kingdom spent more than 12 million sterling to damage tremendous amounts of dairy products.[64]

In another development, when the oil producing countries increased their prices, the United States was infuriated, although oil is not as critical to people's lives like cereals. Through conspiracies the oil price was reduced to a rate lower than that prior to the seventies despite inflation.

As a consequence, tens of thousands of people die of hunger in the Third World countries beside the millions suffering from malnutrition. While it can produce 30 million tons of

food cereals, the United States, on the contrarily, utilizes annually three million tons of fertilizers to grow grasses of golf playgrounds, horse race areas and graveyards, an amount equals to the fertilizers used in India to produce food.

In regard to the crisis of food supply in the Arab World, it can be overcome through the vast arable lands of Sudan and Iraq which can feed the entire Arab World and even more. The Egyptian farmer is undergoing disguised unemployment because of the limited agrarian areas. The needed capitals for mechanization, fertilization and seeds are scarce while the Arab capitals overwhelm European and American banks; thus, is it still a problem of scarce resources or a crisis of human behavior?

The solution of the world food problem resides in advancing backward states, scientifically making use of their agricultural and fish wealth. Nothing obstructs such an endeavor but the deliberate state of poverty imposed on the Third World by the West.

According to MacGovern, the misleading grants, known as financial assistance, are actually a distribution of food surplus, not to fulfill more pressing needs, but they are provided according to political considerations determined by foreign policy. For instance, a very small portion of foreign aid went to Africa where thousands of people starve, while half the assistance went to Cambodia and Vietnam.[65]

6- *Monopoly*

Capitalist states not only have resisted the advancement of industrialization in the Third World, but also they worked on abolishing traditional craftsmanship, since the prime purpose of colonization was to open new markets for their products. Particularly, in Egypt the occupational rule deliberately exerted efforts to erase industrial attempts launched in Muhammad Ali era, which came only two or three decades after the inception of the Western industrialization.

Development in the Third World is related to industrializational efforts, as there can be no development without modern industry. During the last thirty years, the developing countries unfortunately succeeded in constituting 7% only of the world industrial production. So the so-called international scarcity will persist to serve the interests of monopolists in Europe, the United States and other developed countries.

Again, only 60% of the world population obtain 5.6% of the total international income. Is poverty in the Third World an outcome of resource scarcity or a Western human exploitation which sucked its blood through monopoly and submersed the developing states in debts and usury?

For example, in 1974, the oil producing states had a surplus of 60 million dollars, while in return the industrial states endured a deficit of 34 billion dollars, and the deficit of the developing countries doubled from 10 to 20 million dollars. Five years later, the industrial countries succeeded in conveying their deficits to the developing countries.[66]

The share of the developing countries in the raw materials was about 70% of the imports of Western European countries, as well as about 74% of the U.S. imports. After the second World War, Japan played an essential role in importing raw materials from the developing countries. Thus, the unjust reciprocal method applied long ago by imperialist monopolies in their commercial transactions with their colonies and contingent countries is nothing but a way to master through monopolies and strengthen unequal trade by monopolizing the pricing system. This means that raw material goods of the developing countries are stationed to a low price, at the time when the prices of industrial machines and equipment are soaring. According to accounts of the United Nation Organization, average prices of raw materials declined to more than 30% in the period from 1876 to 1937, in comparison to prices

of industrialized products. These facts assert the poverty perpetuation of raw materials producing countries.[67]

Now it is quite obvious that resource scarcity and conflict of nature are just fraud allegations to sustain the Western exploitation of the Third World. Ridiculous luxuries and lavish extravagance of resources in the West should come to an end, in order to stop exploitation, humiliation and starvation of masses in the Third World. The problem is, therefore, an issue of people living the consequences of the Western exploitation, whereas the West is living at the expense of the Third World.

7- *Usury*

The West did not stop at impoverishing the developing countries through exploitation and monopoly, it acts as a usrer which worsens the state of poverty and deficit suffered by the Third World.

In the period from 1967-1976 the total public and private debts of the backward oil non-producing countries were increased four times from 37 to 180 billion dollars. In 1994, the Third World debts reached 1200 billion and the annual interests alone reached 200 billion dollars, which absorb in some cases the value of all exports.

With the terrifying increase in loan service payments, monetary flow since 1984 runs to the industrial countries as well as the financial institutions. Collins and Lappe, for instance, analyze the causes of crisis in Bangladesh. If Bangladesh is capable of being self-sufficient, why then people starve? Ironically, those suffering hunger are themselves who cultivate most of the country's rice production. The case is that prices drop to its minimum level during harvest, so many producers are enforced to sell big quantities while the return can not cover their needs till the second harvesting period. They are impelled to do so, in order to pay indebts to the usurer merchants from whom they have borrowed food expenses. Most who are entrapped in this vicious circle are waged farm-

ers who have to pay agricultural costs and give half the value of the harvest to the landowner.

It is not surprising to find many of the owners usury merchants. The act of storing cereals by usurer merchants for speculation is a prime reason for the so-called 'scarcity'. The extremely low-income labor depends on very low wages vulnerable to be withheld, especially in times of flood or drought when they completely stop working. Here, the speculated food prices jump up from 200 to 500% as a result of those involved in storing activities. It is not strange therefore to find that while many were dying of hunger after 1974 floods, huge amounts of cereals, about four million tons of rice were stored because the sweeping majority were too poor to buy rice.[68]

Here we reach a definite conclusion: the seemed scarcity suffered by human beings is not of resources which are abundant, but it is a suffering of bad conduct in respect either to efforts or values. The hardship of living endured by backward countries is due to laziness and ignorance of the exploitation potencies of the powerful.

Anxiety, depression and other crises residing in advanced countries are due to aggressive behavior in wars, environmental pollution, imperialism, monopoly, usury and eating up money in vanities. The only remedy is to go back to Allah, the Most Kind to His servants. Then, human beings will reach the complete peace, being released from the devil's allure. The economic problem from the resource aspect is that man corrupted the earth after being mended by Allah, in spite of the masks of science and modernity. Allah says:

﴿ومن الناس من يعجبك قوله فى الحياة الدنيا ويشهد الله على ما فى قلبه وهو ألد الخصام * وإذا تولى سعى فى الأرض ليفسد فيها ويهلك الحرث والنسل والله لايحب الفساد * وإذا قيل له اتق الله أخذته العزة بالإثم فحسبه جهنم ولبئس المهاد * ومن الناس من يشرى نفسه ابتغاء مرضاة الله

والله رؤوف بالعباد * يا أيها الذين آمنوا ادخلوا فى السلم كافة ولاتتبعوا خطوات الشيطان إنه لكم عدو مبين﴾

﴿There is a type of man whose speech about this world's life may dazzle thee, and he calls Allah to witness about what is in his heart; yet is he the most contentious of enemies * When he turns away aim everywhere, is to spread mischief through the earth and destroy crops and cattle, but Allah loveth not mischief. * When it is said to him "Fear Allah" He is led by arrogance to (more) crime. Enough for him is Hell: an evil bed indeed (to lie on). * And there is a type of man who gives his life to earn the pleasure of Allah, and Allah is full of kindness to (His) devotees.* O ye who believe! enter into peace wholeheartedly, and follow not the footsteps of devil, for he is for you an avowed enemy.﴾[69]

Al-Niaama - Grace Bestowed by Allah

Allah ordained for mankind all the means of living as brought into earth and heavens. This mundane world is a place of examination of man's deeds, either good or bad, obeying Allah or disobeying Him, on which judgment will be enacted in the Hereafter, where graces are bestowed by Allah without effort to those who believed and feared Allah. Allah says:

﴿وما بكم من نعمة فمن الله﴾

﴿And ye have no good thing (*niaama*) but is from Allah﴾[70]

Al-Razy says, "Know that all that which reach creatures of utility and warding off what is harmful is from Allah... *Al-nimaa* has three forms:

1. *Niaama* whose existence refers merely to Allah, i.e. the act of creating and distributing provision.

2. *Niaama* which is reached from apparently other sources than Allah, but actually from Allah since He is the Creator of such a *niaama,* the seem to be provider of *niaama*, and the heedfulness to provide the *niaama* in the heart of the provider. Nonetheless, although Allah ordained the *niaama* through servant of Allah (the seem to be provider) and he is to be thanked for it, Allah is the One who should truly be thanked, so He says:

﴿أن اشكر لي ولوالديك إلى المصير﴾

﴿Show gratitude to Me and to thy parents, to Me is (thy final) goal.﴾[71]

So started with Himself to show that people's provision of niaama cannot be executed without Allah's provision.

3. *Niaama* reaches us cause of our obedience, but is still from Allah. Without His support and guidance to righteousness, abolishing obstacles that might impede our way to obedience, nothing would have reached us.

Therefore, all forms of *niaama* are in reality from Allah.[72]

In order for a drop of rainwater to fall from the sky to irrigate plants, a warm sun is needed, a sea enriched with water, and a wind to drive the clouds. All entail the creation of heavens and earth through a perfectly contrived wisdom, and endowments to be rationed and distributed. No one but Allah is capable of bestowing such *niaama* subserviently unto His servants, whoever obey Him.

﴿ألم تروا أن الله سخر لكم ما في السماوات وما في الأرض وأسبغ عليكم نعمة ظاهرة وباطنة﴾

﴿Do ye not see that Allah has subjected to your (use) all things in the heavens and on earth. And has made His bounties flow to you in exceeding measure, (both) apparent and latent﴾[73]

Thus, there is a displayed *niaama* and a latent one. When Allah loves one of His devotees, He guides him to thank Him for having the apparent *niaama*, so He bestows him more and inspires him the knowledge of latent *niaama* and makes him feel grateful of for such knowledge, considering that a bounty from Allah. The Prophet Soliman invokes:

﴿رب أوزعنى أن أشكر نعمتك التى أنعمت على وعلى والدى وأن أعمل صالحا ترضاه﴾

﴿O my God! order me that I may be thankful for Thy favors, which Thou hast bestowed on me and on my parents, and that I may work the righteousness that will please Thee﴾ [74]

The graces bestowed by Allah to be a subject to man are countless, since they are apparent and unseen as well as diversified to the extent that numbers cannot include them. Nevertheless, they are abundant and available to everyone who works and exerts effort.

﴿وإن تعدوا نعمة الله لاتحصوها إن الله لغفور رحيم﴾

﴿If ye would count up the favors of Allah never would ye be able to number them, for Allah is Oft-forgiving, Most Merciful﴾[75]

As a matter of fact, positive economists deal with this term (*niaama*) in its tangible form, calling it resources and briefing it up in the term 'earth'. The earth is the force derived from nature to be used in production. They further open the term limits to encompass all animals and plants on earth, mineral riches in the inner layers of earth, fish and water wealth exemplified in lakes, rivers, seas and oceans as well as hydro-electric generation. Also the term includes the climate and rain.[76]

The physiocrates, the capitalists' fathers, considered that production is the creation of matter. This deviant term is still

used in describing the contemporary process of production. Actually, when man makes something, he utilizes graces of Allah on earth. For instance, the vehicle is made of iron, and the farmer puts in the seed, doing nothing with the sun which grows the plant or the rains which irrigate it and the soil which feeds it. The role of man is to add utility, whether through transferring the raw materials from one shape to another, or conveying products from a place of abundance to a place of need, or to store it in times of prevalence to be used in time of scarcity. He further provides the service which facilitates reciprocity and ownership by transporting the commodity from a person to another or from one country to another, or through intermediation or conversions, all add to the utility of ownership.[77]

The truth is that man created nothing, but made some beneficial additions, whether in form, place, time or service, to the processes of agriculture, industry and trade.

﴿أفرأيتم ما تحرثون * ءأنتم تزرعونه أم نحن الزارعون * لو نشاء لجعلناه حطاما فظلتم تفكهون * انا لمغرمون * بل نحن محرومون * أفرأيتم الماء الذى تشربون * ءأنتم أنزلتموه من المزن أم نحن المنزلون * لو نشاء جعلناه أجاجا فلولا تشكرون * أفرأيتم النار التى تورون * ءأنتم أنشأتم شجرتها أم نحن المنشئون * نحن جعلناها تذكرة ومتعا للمقوين فسبح باسم ربك العظيم﴾

﴿See ye the seed that ye sow in the ground? * is it ye that cause it to grow, or are We the cause? * were it Our Will we could crumble it to dry powder, and ye would be left in wonderment * (Saying) 'We are indeed left with debts (for nothing)' * 'Indeed are we shut out (of the fruits of our labor' * See ye the water which ye drink? * Do ye bring it down (in rain) from the cloud or do We? * Were it Our Will We could make it salt (and unpalatable): then why do ye not give

thanks? * See ye the fire which ye kindle? * Is it ye who grow the tree which feeds the fire, or do We grow it? * We have made it a memorial (of Our handiwork), and an article of comfort and convenience for the denizens of deserts * The celebrate with praises the name of thy God, The Supreme﴾ [78]

In Summary:

Allah predetermined adequate sustenance to all mankind but conditioned its prevalence with the following:

1. To make use of graces and favors from Allah, discovering rules and laws.
2. To behave righteously on earth (not to corrupt it) through the obedience to what Allah ordains.

If these conditions were accomplished, *al-niaama* will be persistently implemented on earth. However, breaking these two conditions results in suffering pains of hunger and fear, or Allah sends forth a calamity,

﴿ذلك بأن الله لم يك مغيرا نعمة أنعمها على قوم حتى يغيروا ما بأنفسهم، وأن الله سميع عليم﴾

﴿Because Allah will never change the Grace which He hath bestowed on a people until they change what is in their (own) souls, and verily Allah is He who Heareth and Knoweth (all things)﴾ [79]

The problem is people's prodigality with graces bestowed unto them. This is manifested in:

1. Man's injustice: corrupting the earth by destroying lands and killing people, as what happens in wars and environmental pollution. Thus he is in conflict with Allah's laws of nature.
2. Man's unbelief, behaving in deviation from divine ordinance and law, disobeying Him by practicing monopoly and usury, or preventing alms and sympathy.

﴿وإن تعدوا نعمة الله لا تحصوها، إن الإنسان لظلوم كفار﴾

﴾But if ye count the favors of Allah, never will ye be able to number them. Verily, man is given up to injustice and ingratitude﴿[80]

3. Beside Allah's laws for nature and human behavior to understand the nature of the economic problem, Allah's absolute almighty should be considered while examining His servants on earth, whether through sending good or bad things, prosperity and adversity, thus to remind those heedless, let those disobedient repent, and those patient be distinguished. Allah says:

﴿وقطعناهم في الأرض أمما منهم الصالحون ومنهم دون ذلك، وبلوناهم بالحسنات والسيئات لعلهم يرجعون﴾

﴾We have sundered them up into nations on this earth, there are among them some who are righteous and some are the opposite, We have examined them with prosperity and adversity in order that they might turn (to Us).﴿[81]

NOTES

1. Claudio Napoleoni, *Economic Thought in the Twentieth Century*, edited extended & introduced by Cigno Alessandro. Wiley, New York, 1973, pp. 32-33.
2. Al-Dimashki, *Al-Isharah Ila Mahasen Al-Tigara* (Indications of the Merits of Commerce). Maktabat Al-Koliat Al-Azharia, 1397A.H., p. 20.
3. W.G.Baumol & A.S. Binder, *Economics, Principles & Policy*. Harcout, 1982, pp.4-5.
4. Harvey S. Rosen, *Public Finance*. Irwin Inc., 1985, pp.87-88.
5. Surat Al-Aaraf (The Heights) verse 179.

6. Surat Al-Anfal (Spoils of War) verse 55.
7. Al-Baidawy, *Anwar Al-Tanzeel Wa Asrar Al-Taaweel* (The lights of revelation and secrets of interpretation). Vol.1 Al-Matebaat Al-Omria, 1317 A.H., p.223.
8. Ibn Taimiya, *Magmouaat Al-Rasael Wa Al-Masael* (The group of Messages and Issues). Vol.5 The Arab Heritage Committee: Matebaat Al-Manara, 1314A.H., p.26.
9. Al-Ghazali, *Ihyaa Olum Al-Din* (Reviving Religious Sciences). Vol.12 Dar Al-Shaab, pp.1234-1238.
10. Surat Al-Nahl (Bees) verse 78.
11. Al-Shattbi, *Al-Mowafiqat* (Agreements). Vol.1 Matebaat Al-Madany, p.115.
12. Surat Al-Aaraf (The Heights) verse 32.
13. Surat Al-Hadid (Iron) verse 23.
14. Surat Al-Ma'ida (The Table Spread) verses 87-88.
15. Surat Al-Rahman (The Beneficent) verse 10.
16. *Ibid.* verse 22.
17. Al-Shattbi, *Al-Aatisam* (Prevention). Vol.1 Dar Al-Fikr, p.342.
18. Ibn Al-Arabi, *Ahkam Al-Quran* (The Rules of Quran). Vol.2 Dar Al-Fikr, 1392A.H., pp.236, 546, 696.
19. Surat Al-Anaam (Cattle) verse 145.
20. Surat Al-Ma'ida (The Table Spread) verse 96.
21. Ibn Al-Arabi, *op.cit.,* Vol.2, p.54.
22. Al-Albani, *Mishkat Al-Masabih Lil Tabrizy* (The Lamp of Lantern by Tabrizy). Vol.2 Al-Maktab Al-Islamy, 1405A.H., p.1203.
23. Ibn Al-Arabi, *op.cit.,* Vol.1, p.748.
24. *Op.cit.,* p. 54.
25. Surat Al- Ma'ida (The Table Spread) verse 90.
26. Al-Albani, *Sahih Al-Gamiaa Al-Saghir Lil Souyouty*. Vol.2 Al-Maktab Al-Islamy, 1406A.H., p.836.
27. *Ibid.*, Vol.1, p.102.
28. *Sahih Muslim*. Vol.2 Al-Halabi, p.229.

29. Surat Al-Isra'a (The Sons of Israel) verse 32.
30. Al-Shattbi, *Al-Mowafiqat*, *op.cit.*, Vol.1, p.21.
31. Surat Al-Anaam (Cattle) verse 121.
32. Ibn Al-Arabi, *op.cit.*, Vol.1, p. 752.
33. Al-Shattbi, *Al-Mowafiqat*, *op.cit.*, Vol.2, pp. 4-6.
34. Al-Nawawi, *Rawdat Al-Talibeen* (The Meadow of Requesters). Vol.3 Al-Maktab Al-Islamy, 1405A.H., p.234.
35. Al-Bohouti Al-Hanbally, *Shareh Montaha Al-Iradat* (Explaining the end of revenues). Vol.1 Alam Al-Kotoub, Beirut, p.324.
36. *Sahih Al-Bokhary*. Vol.2 Dar Al-Shaab, p.125.
37. Surat Al-Hashr (Exile) verse 10.
38. Abu Youssef, *Al-Kharaj* (Land Tax). Dar Al-Maaefra, 1397A.H., pp. 26-27.
39. Misgrave and P.B. Misgrave, *Public Finance, Theory and Practice*. Battler & Tanner, 1985, p.99.
40. Surat Hashr (Exile) verse 10.
41. Al-Ezz Ibn Abdel Salam, *Kawa'id Al-Ahkam Fi Masaleh Al-Anam*. Vol.2 Dar Al-Kottoub Al-Ilmia, p.174.
42. Surat Al-Furqan (The Criterion) verse 67.
43. Ibn Attia, *Al-Moharer Al-Wageeze* (The Brief Investigator). Vol.1 Ashoaoun Al-Dinnia; Qatar, 1985, p.71.
44. Ibn Al-Arabi, *op.cit.*, Vol.2, pp. 3-7.
45. Ismail Al-Alosy, *Tafsir Roh Al-Baian* (Interpreting The Spirit of Statement). Vol.5 Dar Al-Fikr, 1415 A.H., p.143.
46. Surat Al-Isra'a (The Sons of Israel) verse 16.
47. Surat Al-Anbiyaa (The Prophets) verses 11-13.
48. Surat Saba verse 34.
49. Al-Razy, *Al-Tafsir Al-Kabir* (The Great Interpretation). Vol.9 Dar Al-Ghad Al-Arabi, p.171.
50. Muhammad Ibn Al-Hasan Al-Shibany, *Al-Iktisab Fi Al-Rizk Al-Mostatab* (Profit From Good Earnings). Dar Al-Kottob Sl-I'lmiaa, 1406A.H., p.70.

51. *The World Food Problem.* A Report of The President's Science Office, 1976, and Nelson A. Rockfeller, *Vital Resources*, 1977, Vol.1, p.108. Cited in Joseph Collins and Francis Moore Lappe, *Food First: Beyond of Myth of Scarcity.* Houghton Mufflil, Boston, 1977. Translated by Ahmed Hassaan. Silsilat Alam Al-Miaarefa, Kuwait, p.19.
52. Ismail Sabry Abdallah, *Nahw Nizam Iktisady Alamy Jadid* (Toward A New International Economic Order), Al-Haiyaa Al-Ama Lil Kitab, 1977, p. 49.
53. *Calculated From FAO Production*, Year Book 1974, *World Bank*, 1977 and *World Hunger*. US Government Statistics Office, 1976; cited in Collins & Lappe's Hassaan translation, *ibid.*, pp. 26-27.
54. Zbigniew K. Brzezinski, *Out of Control: Global Turmoil on The Eve of The Twentieth First Century.* Charles Scribner's Sons, New York, 1993.
55. *Social and Economic Implication of The Large Scale.* UNRISD, Geneva, 1975, pp. 122-171, cited in Collins & Lappe's Hassaan translation, *ibid.*, p.124.
56. Collins & Lappe's Hassaan translation, *ibid.*, p.106.
57. *Ibid.*
58. *Op.cit.*, pp. 134-135.
59. *Op.cit.*, pp. 111-112.
60. *Report on Nutrition and The International Situation.*, U.S. Government Printing House, Washington, 1974. Cited in Abdallah, *op.cit.*, pp. 47 & 89.
61. Collins & Lappe's Hassaan translation, *op.cit.*, p.237.
62. UNCTAP, *Marketing and Distribution System*, 1975, p.9. Cited in Collins & Lappe's Hassaan translation, *ibid.*, pp. 237-238.
63. *Ibid.*, pp. 269, 299 & 304.
64. Fayez Muhammad Ali, *Al-Sharikat Al-Raasimalia Al-Ihtikaria Wa Al-Saitara Ala Iktisadiat Al-Bilad Al-Namia* (Monopolist Capitalists Firms and Controlling The

Economies of Developing Countries). Dar Al-Rasheed Lil Nashr, Iraq, 1979, p.695.

65. *Ibid.*, p. 94.
66. Hazem Al-Biblawi, "Ma'izaq Al-Iktisad Al-Alamy" (The Predicament of The International Economics). *Al-Arabi Magazine*. April, 1981, p.30.
67. Ali, *ibid.*, pp. 126-127.
68. Collins & Lappe's Hassaan translation, *ibid.*, pp.272-277.
69. Surat Al-Baqara (The Cow) verses 204-208.
70. Surat Al-Nahl (Bees) verse 53.
71. Surat Luqman verse 14.
72. Al-Razy, *op.cit.*, Vol.1, pp.314-315.
73. Surat Luqman verse 20.
74. Surat Al-Naml (Ants) verse 19.
75. Surat Al-Nahl (Bees) verse 18.
76. Hussien Omar, *Nazariat Al-Qima* (The Value Theory). Dar Al-Shourok, 1402A.H., p.74.
77. Ismail Hashem, *Mabadi'a Al-Iktisad Al-Tahlil* (Principles of Analytical Economics). Dar Al-Nahda Al-Arabia, 1978, p.198.
78. Surat Al-Waqi'a (The Event) verses 63-74.
79. Surat Al-Anfal (Spoils of War) verse 53.
80. Surat Ibrahim verse 34.
81. Surat Al-Aaraf (The Heights) verse 168.

Chapter Four

AL-RIZK JUST DISTRIBUTION OF INCOME

Tackling the issue of income distribution, contemporary economists differentiated between two theories of distribution, namely,

a) The Theory of Functional Distribution.

b) The Theory of Personal Distribution.

The functional distribution of income is a calculation of how income is distributed among various contributing factors of production, e.g. wage for labor, rent for land, and profit for capital "money". Inversely, costs carry out the process of production as represented in the selling price. The output or return is usually determined according to natural and market conditions of demand and supply in the form of market bargaining.

The personal distribution of income, on the contrary, represents the aspect of justice in such distribution, a term mostly unused in serious contemporary research, since, as mentioned previously, modern economic analysis is based on being value-free. It is a normal outcome of the utilitarian philosophy and the idea of the economic man, as well as the philosophical background of natural selection and survival of the fittest to the extent that Nietzsche considered charity as a slave behavior.

Being a pure mathematical process, the functional distribution of income is historically very old as it portrays the situation without any modification or reformation, i.e. the portion of each factor of production is determined in the

income emerging from the economic activity. As a matter of fact, this constitutes the content of all distribution theory in Western economic thought.

This theory prevailed in the nineteenth century writings, as the main concern at that time was to allocate shares of production factors in income resulting from economic transactions of that period. Generally, the theory of functional distribution includes sheer economic analyses.[1]

Income distribution is onthe opposite side of commodity prices. The price of a commodity is what is spent in the first stages of its production. Active work deserves a salary, and then saved work (wealth) deserves a profit. We say saved work because natural materials on earth are prevalent as free for all human beings; when exposed to work, natural materials are transformed to wealth (economic goods). For instance, water in the river is priceless but when carried by men it has a price. The profit, which goes to labor, or wealth or both, is derived from the difference between the costs of goods and their prices. Therefore, the output price is on the other side of income amongst production factors.

In reality, production mirrors effective demand (buying) which shows the distribution structure of the national income among people. Any defect in the distribution structure appears in the demand system which in turn affects production. Therefore, the issue of earning and its distribution is extremely essential in studying social equilibrium. Ineffective price systems, comprising many defects, indicates its incapability to harmonize just aims of production and operative structure, because of corrupt income distribution.

Historical Background

Classical economists in the eighteenth century England believed in private projects with a minimum state intervention. They did not differentiate between personal and functional

distributions. They thought that the prices, which posed an equilibrium between demand and supply were "natural" prices on which "normal or suitable" incomes were based. In addition, they stressed the importance of such prices in steering the factors of production toward the development of industries desired by establishments. Therefore, there was no need for governmental planning; also, it was expected from owners of the means of production, who work for their own interest, to work automatically without receiving orders, thus achieved the best benefit for the economy.

Since we are not discussing, in economic circles, the efficiency of economic institutions from the angle of efficient resource use under the wrong capitalist thought with its misled way of living, the issue of just income distribution is not par excellence an economic issue but rather a political and moral one.

Under the capitalist system with its monopolist exploitation and income via usury, the income is intensified in some groups more than others. The poor increase in number and their income decreases, while the rich decrease in number and their income increases. The poor hardly fulfill their basic needs, whereas the wealthy are immersed in luxuries; as a result production is transformed from satisfying basic needs to providing luxurious items. Subsequently, social inequality prevails, the poor get poorer and the rich dominate. This is the organic relation between resource distribution, kind production and income distribution.

The rationale behind this thought had a major drawback. Although economists considered private income just, it was in reality away from equality. This system was basically criticized by socialist adherents who aspired to let the means of production in the hands of the whole society, i.e. the state, assuming that under such conditions the greatest amount of equality can be realized while distributing personal income.

They supposed that when the government owned the material factors of production, rents and interest rates could be completely abolished. However, they admitted that there should be some sacrifices in minimizing consumption in order to accumulate capitals. In other words, the socialists were extremely concerned about personal distribution of national income to the extent that they overlooked the effect of their policies on functional distribution. The limited factors of production, exemplified by capital and land, should have prices reflecting their economic importance in order to have a suitable distribution of factors of production among the different economic sectors.

Thus, the failure to understand the difference between personal and functional distribution led Karl Marx to set forth his theory of material value based entirely on labor. Marx tried to prove that the value of commodities was determined merely by the required labor for their production. In fact, Marx should not have made this theory, but rather should have accepted the idea that there are other limited factors of production which together with labor determine value.[2]

As a result, socialism prohibited capital ownership and its related income of profit and rent. Thus, society lost its motivation to develop, production weakened, despotism prevailed and the economy deteriorated.

Fallaciousness of Positive Functional Distribution

In positive thought, many economists consider the entrepreneur as a fourth factor of production, so returns of production factors are divided into wage labor, land rent, entrepreneur profit, and capital "money" interest (usury). This division is fallacious since the organizer today does not run risk or bear uncertainty, as he receives a salary for his work. It is proclaimed that:

> "Some economists refuse to distinguish between labour and the entrepreneur. In the case of the sole proprietor, the entrepreneur function is clearly undertaken by one person who accepts the entire risks of the enterprise and is solely responsible for its management. In a partnership the function is equally clearly divided between the partners, but in public limited company the two main functions of entrepreneur are divided, the shareholders bearing the risk while the board of directors take responsibility for policy and decision making."[3]

The owner is the one who profits for running risk and bearing uncertainty; how could they justify, in the distribution theory, the parasite income of usury, other than through fallaciousness? They consider themselves very scientific.

Acquired income is deserved by effort. It is manifested in a wage for the worker as a result of his exerted effort whether manual or mental, a rent of a property to carry out an enterprise, and a profit as a result of partnership with work or capital. Here there are two means for earnings: having a salary or profit through work, profit or rent through capital (excluding money). Money is attained when a profit is realized.

Fallaciousness of Positive Personal Distribution

Just distribution is today's world problem from which intellectual conflict and differences emerge. So how can an equilibrium be achieved between development and just distribution?

The average national income and growth rate are no longer indicators of human development, since they do not reflect equal distribution of the national income among different groups. Under such circumstances, the issue of relating growth and distribution in economic theory became an or-

ganic matter in research. International communities were acutely divided into two divergent opinions:-

First: The liberal opinion does not pay heed to the distribution issue, unless it concerns domestic consumption. Its economic system is founded on usury and monopoly in the name of competition, as the idea of equality, equilibrium and public interest is pertinent merely to individual interest. Practicing what is forbidden by Allah, ended up in a situation where capital is restricted to the wealthy, most of the profit is taken by monopolists and income is permitted through usury while labor wages are unsatisfactory. Thus, the structure of production and distribution were impaired leading to crises and conflicts.

Second: The socialist point of view prohibited capital income and abolished private ownership, claiming that wages are the only acceptable income. Here, with the aim of eliminating oppression, usury was terminated but the act of evacuation reached its tyrannical level when natural things like profit, rent, ownership and inheritance were prohibited. As a result, society lost motivation for development, thus falling in poverty, production weakened, while the economy was operated through despotism and fear. Life lost its meaning. The theory became useless, as advertisements calling for usury were witnessed in the streets of Moscow to lend the government.

Third: Nevertheless, there are mixed Western writings, as that of Bentham, which call for justice and equality through income re-distribution in order to increase total utility for the society, so as to raise the utility of poverty more than to alleviate that of richness. Also, studies on welfare done by Alfred Marshall support just income distribution. He pointed out that increase in the kind of production which exceeds satisfaction is radically related to its distribution and justice. Besides, Keynes replaced utility with effective demand, thinking that

income distribution will increase the marginal propensity of the poor to consume without diminishing the high rate of that of the rich and therefore increasing effective demand.[4]

Unfortunately, these studies disappeared in the crowd of theories on price and market equilibrium. Consumptive behavior has been confined to the individual or household having a budget to see how the biggest amount of satisfaction has been achieved through equilibrium curves. Furthermore, the core of research aims to back the freedom of the owner in earning his income and spending his money, disregarding public interest or social equilibrium.

All these studies have been launched from utilitarian tendencies, apart from mercy and sympathy which were deemed to be extrinsic to the secular West. This thought flowed over with the requirements of financial policies to overcome crises. No heed was given to the poor and needy.

With the advent of modern economic criticism, the main theme of research has been concentrating on instability and how effective demand is used to treat crises. Torn between Marshall's equilibrium of full employment and instability in Keynes' thought, students of economics, even of technical studies, are put in a state of confusion. Being away from the heart of the problem, i.e. just and pure income distribution, all efforts are inclined toward more applied studies on planning and urbanization, relying on mathematical equations and models. Ignoring the main issue of distribution structure, such research is utilized for the sake of further exploitation, deviation and inequality.

Despite the admittance that the ailment of the capitalist economy is caused by the practice of usury and monopoly, most of the attempted remedies are far from uprooting these two cancerous practices and depend mainly on economic policies taken by the government using these defective tools. The affliction of these capitalist communities resides in prac-

ticing what is forbidden, e.g. ownership is impure involving exploitation and monopoly, and incomes are unjust immersed in usury and gambling.

The Distribution of Money Income among Families for Selected Years, 1947-1981 in U.S.A.

Percentage Share

Year	*Lowest Fifth*	*Second Fifth*	*Middle Fifth*	*Fourth Fifth*	*Highest Fifth*	*Top 5 Percent*
1947	5.0%	11.9%	17.0%	23.1%	43.0%	17.5%
1952	4.9	12.3	17.4	23.4	41.9	17.4
1957	5.1	12.7	18.1	23.8	40.4	15.6
1962	5.0	12.1	17.6	24.0	41.3	15.7
1967	5.5	12.4	17.9	23.9	40.4	15.2
1972	5.4	11.9	17.5	23.9	41.4	15.9
1977	5.2	11.6	17.5	24.2	41.5	15.7
1981	5.0	11.3	17.4	24.4	41.9	15.4

U.S. Bureau of the Census, Current Population Reports, series P-60, no. 137 (Washington, D.C. Government Printing Office, 1983), p.47.

Therefore, the following can be suggested from this table:[5]

a) There is noticeable inequality: the lowest 20% of the income distribution attains only 5% of the income, while the highest 20% attains more than 40%, and the top 5% attains more than 15%).

b) Throughout the selected years the distribution was almost stabilized.

Similarly, socialist adherents confessed that socialism failed when private ownership and inheritance were abolished, without differentiating between clean and exploitative ownership. Likewise, enslaved by the party, man's dignity has been degraded, as he became incapable of doing anything. Even all

his nutritional and clothing needs were in the hands of the government. Thus any guidance postulated to him ends in no good. Under these conditions, production motives of profit and distinction were replaced with oppression and fear, which in turn ended in weak quantitative and qualitative production, in spite of the state's military might.

Islamic Functional Distribution

Preferment in society was exposed to the two extremes of negligence and excessiveness. Relations in the West are based on monopoly by the privileged classes, while in Communism, relations are based on materialistic equality to the extent of abolishing distinctiveness; thus, preferment was torn between negligence and excessiveness.

As for Islam, standing in the middle course, its relations are built according to ranks determined by work and distinguished by purification.

Marxism looked at human history from a very narrow perspective, considering it a continuous struggle between an exploiting class and an exploited one. Exploitation was determined by the surplus value acquired by the capitalist from the worker. From a Marxist point of view, there is no right nor justice in any income but that received by the worker. It poured all its rage on private ownership, while promising the masses to live in complete equality where every individual takes according to his need and makes his utmost effort, as in the final stage of communism, work becomes an enjoyment and a necessity exerted by the individual without waiting for a return.

In fact, Marxists were confused between capitalist return in the case of free competition when opportunities are equal, and in the case of monopoly and tyranny. In the former case the return received by the capitalist is a reward for his effort and savings, while in the case of monopoly, it is undoubtedly

an exploitation of both the worker and the consumer. Moreover, Marxism was heedless about actual differences between various kinds of work and effort, and their disparate outcomes. Complete equality cannot be achieved because of the following:

1. Human needs are developing, since luxuries can become necessities. Also, the subsistence level is in a continuous change. This might be the secret of development and evolution; otherwise, growth stops at a certain extent. Prophet Muhammad says: "If the son of Adam (human beings) has two valleys of gold, he will strive for a third one. Nothing fills his belly but dust. Allah accepts the penitence of those who repent."[6] Thus, the individual strives for having a higher income to reach what he wants, so he will never exert an effort without having what he deserves in return.
2. Human beings are idle by nature, preferring rest and leisure. There is no evidence in the past or contemporary history that a worker in a given society exerts effort without return. Work is effort and toil, done with motivation.
3. Distinctiveness in incomes is necessary to ensure optimum distribution of resources for various uses. This is only realized through prices, as there is no significance for prices without having distinctive incomes.

The Communist call for equality is nothing but a feeling of malice toward fitness and a desire to eliminate distinction. It drags humanity backward to the primitive era when work was done just to live.

Work is an effort and drudgery exerted by the worker according to a deep-seated necessity which is manifested in the form of the human need of survival, and in the desire to be distinguished. Thus, the desire to be distinguished is one of the guarantees that propel the flow of human civilization to upward horizons.

Free competition in a balanced society is the cornerstone of civilizational progress where efficiency emerges.The sparks of innovation and growth are likely to be extinguished by the storm of complete equality. The enjoyments of life are not quantitative but rather qualitative. They have different values and disparate ranks; if they are equally distributed among people, man will lose the most essential impetus for production and work.

Electric current is a motion between negative and positive; wind is a movement between high and low pressures; water current is a movement between temperature and different densities of water regions. The same is true for human life and relations.

Differences between things is the law of nature. Individual freedom alone displays various moods and personalities, creating a multifaceted society with various experiences leaning toward competition. Nonetheless, if all members of society were inserted in one mold without any distinction, they will suffer rigidity and will be prone to extermination. It is the different levels of living and the desire to be distinguished that motivate innovators to discover the unknown and drives nations to produce their civilizations. When we take a closer look, we find that the masses live as a burden on the exertions and capacities of those who upgrade the way of living, from fulfilling needs to luxuries, so moving from growth to growth. There is a great difference between a person consuming part of his life in developing his abilities, and another making use of his life from the first moment by work without developing his talents.

Al-Aqqad said, "The disparity between the descendants of one specie is an indication of progress, and multiplicity of distinctiveness and talents. The resemblance of individuals of the same kind signifies degradation and dullness, as it is seen

in the similarity between the insects of lower rank and differentiation between higher living beings of all kinds.

What is required is that people become equal under a just law; difference should not be a reason for those who are potent to exploit the work of the weak, or the rich to seize the right of the deprived. Difference should reside in the preferment of the preferable, the effort of the hard worker, the honesty of the honest, and the energy of the energetic. Nobody will erase (such different traits) from mankind unless he is an enemy to human beings.

Some kinds of equality are undoubtedly just, whereas others are unfair, since to equalize between the one who deserves, to another who does not deserve, is a true injustice. Equality in everything is an absolute nihilism which does not comprise anything existent.

The equality, which contains fraud with bad consequences, is an equality which falsifies the distinctiveness of work, the virtues of preponderance, and halts the exertions of those who are endeavoring. Those calling for equality claim that they fight deprivation, so they deprive the able from advancing their living and the living standards of mankind."[7]

Allah says:

﴿والله فضل بعضكم على بعض في الرزق فما الذين فضلوا برادى رزقهم على ما ملكت أيمانهم فهم فيه سواء، أفبنعمة الله يجحدون﴾

﴾And Allah has favoured some of you above others in provision. Now those who are more favoured will by no means hand over their provision to those (slaves) whom their right hands possess, so that they may be equal with them in respect thereof. Is it then the grace of Allah that they deny?﴿[8]

Such preferability is the secret of development in life. It is verily unfair that the lazy depends on the active, or the unskilled on the skilled. Difference will continue to exist even

between one time-period and another, as long as life is growing. Whenever man satisfies a certain need, a new one appears. Therefore, he strives for the unknown. Overwhelming abundance in fulfilling needs makes man like a child and dulls his talents, while the continuous feeling of need stimulates the talents through which he grows. Without all this, there would not be a meaning for experimentation in life, as there is no absolute rest and enjoyment without affliction, unless in heaven. This mundane world, in which man struggles with his deeds, is a laboratory where he grows with his soul.
Allah says:

﴿تبارك الذى بيده الملك وهو على كل شئ قدير * الذى خلق الموت والحياة ليبلوكم أيكم أحسن عملا وهو العزيز الغفور﴾

﴿Blessed be He in Whose hands is dominion and He over all things hath power * He Who created death and life, that He may try which of you is best in deed and He is the Exalted in might, Oft-Forgiving﴾[9]

Thinkers and philosophers were not bothered by any manifested difference in ownership between one person and another but rather they were concerned with the huge conspicuous gap between people, which can never result from normal disparity in strength or sufficiency. Material distinction is needed to generate new horizons of thought and morals necessary for a society to develop. Complete equality ends up in a state of inexorable backwardness and uncivilized conduct, so the best thing is preferment with neither tyranny nor exploitation, laziness nor dependency.

Thus, in Islam, charity is not permitted to a person who is not working and can work. Allah clarifies this point in the following verse:

﴿للفقراء الذين أحصروا فى سبيل الله لا يستطيعون ضربا فى الأرض يحسبهم الجاهل أغنياء من التعفف تعرفهم بسيماهم لا يسألون الناس إلحافا وما تنفقوا من خير فإن الله به عليم﴾

﴿(Charity is) for the poor who are restricted (from travel), for the cause of Allah, and cannot move about in the land (seeking trade or work). The ignorant man (who judges superficially) thinks that they are wealthy because of their restraint. Thou shalt know them by their mark, as they do not beg of men with importunity. And whatsoever good thing ye spend, lo! Allah knoweth it.﴾[10]

Also, the tyranny of wealth and exploiting the weak are forbidden in Islam. Allah says:

﴿وأما من بخل واستغنى * وكذب بالحسنى * فسنيسره للعسرى * وما يغنى عنه ماله إذا تردى﴾

﴿But he who is a greedy miser and thinks himself self-sufficient * And disbelieve in goodness * We will indeed make smooth for him the path to adversity * His wealth will not save him when he perisheth﴾[11]

Justice is set forth in Islam as one of the pillars on which the community erect. Allah says:

﴿ولا تبخسوا الناس أشياءهم ولا تعثوا فى الأرض مفسدين﴾

﴿Do not withhold from people their things that are their due, and commit not evil in the earth, causing corruption﴾[12]

Rules were legislated in Islam to abolish monopoly and usury, enacting measures which enable just income distribution, so as to realize the Quranic verse

﴿كي لا يكون دولة بين الأغنياء منكم﴾

﴿in order that it may not (merely) make a circuit between the wealthy among you﴾[13]

In such a balanced community, free men, vicegerents of Allah on earth, live the experience of life, where Allah examines them to see who is best in deeds, so He bestows and favors some over others in bounties and graces. Allah says:

﴿وهو الذى جعلكم خلائف الأرض ورفع بعضكم فوق بعض درجات ليبلوكم فيما آتاكم إن ربك سريع العقاب وإنه لغفور رحيم﴾

﴿It is He who hath made you (His) agents, inheritors of the earth. He hath raised you in ranks, some above others, that He may try you in gifts He hath given you. For thy God is quick in punishment, yet He is indeed Oft-forgiving, Most Merciful.﴾[14]

Nevertheless, the concept of ranks in Islam, to which some people are favored over others, is different from the concept of classes in the modern era. According to contemporary terms, the difference between one class and another is not restricted to richness and poverty, but it might be based on traditions and rules, so we find people belonging to a high class but they are poor. Such distinction emerges as a result of either the reign of some people or confining religious affairs to a certain class, or inheriting some privileges from their ancestors.

Just belonging to a privileged class, these people enjoy privileges without exerting any effort. This case is really rejected and repulsive, since it obstructs the existence of equal opportunities and impairs free individuals from obtaining the complete return of their efforts.

Difference in wealth does not impede equal opportunities nor cause inequality. When the government provides equal opportunities for everybody in education, work and earning, no advantage is seen in accumulating wealth, to have wider opportunities to be distinguished, or to earn the livelihood, but the only advantage that will remain is to be more able to enjoy life.

In another sphere, the definition of class is considered inaccurate to the extent that some thinkers deny the existence of classes from the first place. Others assert that it is hard to define the concept because:

1. There is a continuous mobility from one class to another due to change in material status quo.
2. Every class is comprised of different groups, e.g. in the working class there is skilled and unskilled labor; also we find among the workers those who are owners, so one becomes confused as whether to consider them among the labor class, or that of the owners.
3. Conflict exists within working classes. For instance, skilled labor might be against ordinary workers; in many cases, workers cooperate with producers against consumers, or conflicts may emerge between producers and merchants, or between farmers and workers, etc. There is an objection against this Marxist term. Marx believed that the political behavior of every individual depends on his economic status and the class to which he belongs, i.e. all who belong to one class are expected to behave the same. In reality, this is not true. One may behave according to his economic interest, or to serve his country, or according to his belief in religion to the extent that he sacrifices his wealth and life. Human motives are not merely economic or biological. If entire history had been only a class struggle, the world today would be immersed in permanent bloodshed. Furthermore, although the Russian society was striving to

cancel classes, a new different or distinguished group appeared to form the class of managers, senior officials and members of the Communist party. Thus, those calling for equality were not able to curb difference and apply complete equality.

The Marxist definition of class is rigid and limited when compared to reality, but Marx formed his definition according to a theoretical thought, so in application it is far from truth. Here the idea of ranks is more precise and effective in reality than the limited and static Marxist definition.

Ranks denote preferment among people under equal opportunities and justice, away from privileges attained due to monopoly, inheritance or power which restrict equal opportunities and engender a state of injustice and inequality. Ranking comes as an outcome of individual exertion; this is the kind of distinction praised and supported by Islam, as it existed even among messengers and prophets. Allah says:

﴿ولقد فضلنا بعض النبيين على بعض﴾

﴿And We preferred some of the Prophets above others﴾[15]

﴿تلك الرسل فضلنا بعضهم على بعض منهم من كلم الله ورفع بعضهم درجات﴾

﴿Of those messengers, some of whom We have caused to excel others, and of whom there are some unto whom Allah spoke, while some of them He exalted (above others) in degree (of honour)﴾[16]

Preferment is the law of creation. Allah says:

﴿ولكل درجات مما عملوا وماربك بغافل عما يعملون﴾

﴿For all, there will be ranks according to their deeds. Thy God is not unaware of what they do﴾[17]

﴿ لا يستوى القاعدون من المؤمنين غير أولي الضرر والمجاهدون في سبيل الله بأموالهم وأنفسهم فضل الله المجاهدين بأموالهم وأنفسهم على القاعدين درجة وكلا وعد الله الحسنى وفضل الله المجاهدين على القاعدين أجرا عظيما * درجات منه ومغفرة ورحمة وكان الله غفورا رحيما ﴾

﴿Not equal are those of the believers who sit, other than those who have (disabling) hurt, with those who strive and fight in the cause of Allah with their wealth and lives . Allah hath conferred on those who strive with their wealth and lives a rank above the sedentary. Unto each Allah hath promised good, but He hath those who strive a great reward above the sedentary * Ranks bestowed by Him and forgiveness and mercy. Allah is Oft-forgiving and Most merciful.﴾[18]

Inheritance in Islam

Here we will deal with the Islamic rationale behind inheritance, which was rejected by some thinkers of the modern era, claiming that it, first, obstructs the existence of equal opportunities, and second, is a kind of income acquired without effort.

Looking at the first allegation, we mentioned earlier that the disparity in incomes and wealth does not prevent equal opportunities. At the same time, when the government provided equal opportunities for all in education and work, the resulting events indicated that money was not a basic condition for the gap between classes. The answer to the second allegation needs a broader perspective than just scrutinizing economic research.

Islam paves the way for the responsible man with the greatest amount of individual freedom, in order to fully endure the responsibility of his deeds. Such freedom is only restricted

when it harms others. During childhood, the human being is short of right awareness, evaluation and earning. He feels in need of care, cherish and love which are warmly realized in the heart of a family. Parents are the best educators who can passionately raise their children. Accordingly, Islam supported and reinforced the family system, under which healthy human development is accomplished based on balanced psychological principles without complexes or disturbances. Most probably, any institution involved in child rearing has negative remarks on children. They grow up having psychological disturbance, and weakness in the feeling of mercy, which links society together and reduces the intensity of competition in life, and responds to education and morals ordained by religion in dealings.

The son is an extension of his parents, as he carries their names and perpetuates their remembrance. Parents can not help being keen on insuring for their children a standard of living which makes them happy, avoiding dependency on others. Thus, the desire to leave an inheritance to children became a pressing necessity, flowing from the parents' hearts and pushing them toward drudgery to augment wealth to be transmitted to their descendants who are their extension and part of them.

Sons and daughters are an extension of their parents inheriting from them everything even diseases transmitted by heredity although not related to deeds or exertions in life, so why do they not inherit the good of living as they inherited the bad of it?

In many cases the sons contribute with their effort standing beside their parents in accumulating wealth.

Asserting the social role of inheritance in preserving family solidarity and cohesiveness, Islam shoulders the man the responsibility of maintaining and financially supporting the family, so his share in inheritance is double that of the woman

whose share is reserved without having any obligation in expenditure.

It is obligatory in Islamic law that the father sustains his son and vice versa, if any of them is in need. No one but the parents is the most compassionate for a person in childhood and no one but the son is the nearest to a person in old age. Under such circumstances, inheritance crowns this interlinked solidarity.

According to Imam Ahmed, a nomad went to Prophet Muhammad saying, "My father wants to take my money." He replied, "You and your money are for your father. Your sons are the best of your earnings, so take from your children's earnings."[19]

Al-Shafaay said, "The son is from the father, who was obliged to maintain him when he (the son) was incapable of sustaining himself, so when the father becomes old incapable of earning money, the son must sustain him. This in an analogy to the son, i.e. the son is from the father, so he will not lose something from himself. The same is true for the son who will not lose something from his descend if he has a son, the same for the ascending fathers and descending sons. Therefore, I think and Allah knows, anyone of them, who is needy and without work, should be supported, as his maintenance is by the wealthy who works."[20]

Confirming this relation, Allah says:

﴿ووصينا الإنسان بوالديه حملته أمه وهنا على وهن وفصاله فى عامين

أن اشكر لى ولوالديك إلى المصير﴾

﴿And We enjoined upon man concerning his parents - His mother beareth him in weakness upon weakness, and his weaning is in two years - Give thanks to Me and to thy parents. To Me is (thy final) destiny.﴾[21]

Prophet Muhammad explains this solidarity further by saying:

> "When a son of Adam (man) dies, his acts are stopped with the exception to three (things): on-going charity, or a science used, or a devout son (or daughter) praying for him."[22]
>
> "The person who (feels) pleased to have wealth in abundance and to live long life should link to his blood relatives."[23]
>
> "Allah created the living beings (creation) until when He resurrects them (in the Day of Judgment), the blood relation emerges to say, 'this is the rank of those who sought Your support not to cut off (relations). He says, 'Yes, do you agree that I link to you who has (already) linked you, and cut off who has (already) sever you. It says, 'Yes' He says, 'It is up to you.' Then, the Prophet said, 'Read, if you want,
>
> ﴿فهل عسيتم إن توليتم أن تفسدوا فى الأرض وتقطعوا أرحامكم﴾
>
> ﴿Is it not possible that when you are in power that you corrupt in the earth and break your ties of your relatives.﴾"[24]

Inheritance, therefore, becomes a right, fairness and social necessity to keep up with the family coherence, engendering a psychologically mature person under familial mercy. Inheritance reinforces solidarity and linkage between father and son, emanating a state of security and stability.

In spite of that, Islam set rules for inheritance by prohibiting its acquisition by one person. It is distributed among the descendants, a form of a continuous redistribution of wealth among individuals, so it will not be a circuit among the wealthy.

Properties of Disparity

In conclusion, there is no value for disparity at all without the individual attaining the fruits of his effort. The surplus value surpassing his consumption is transformed into a stored work in the form of capital. It is the right of every person to own the thing which he has toiled to get, since he has worked to add and make use of the bounties of Allah in nature.

The aim of ownership is not achieved, if the person is unable to leave wealth to his children who carry his name and are his descendants on earth, and by that satisfying his deep-seated instinct of immortality.

If ownership, a saved work, is hoarded, it would pose a severe harm to society, because it would not contribute in development and prosperity, so serving others. However, if a return is acquired from such saved work, no one will hesitate to invest with his capital, to benefit others and participate in development.

As a consequence, profit is related to ownership, and inheritance to the preferment in ranks. That is the proper innate way to steer life and accelerate competition for development on earth. Allah says:

﴿وقالوا لولا نزل هذا القرآن على رجل من القريتين عظيم * أهم يقسمون رحمت ربك نحن قسمنا بينهم معيشتهم فى الحياة الدنيا ورفعنا بعضهم فوق بعض درجات ليتخذ بعضهم بعضا سخريا ورحمة ربك خير مما يجمعون * ولولا أن يكون الناس أمة واحدة لجعلنا لمن يكفر بالرحمن لبيوتهم سقفا من فضة ومعارج عليها يظهرون * ولبيوتهم أبوابا وسررا عليها يتكئون * وزخرفا وإن كل ذلك لما متاع الحياة الدنيا والآخرة عند ربك للمتقين﴾

﴿And they say: If only this Quran had been revealed to some great man of the two towns? * Is it they who apportion their

God's mercy? We have apportioned among them their livelihood in the life of the world, and raised some of them above others in rank that some of them may take labour from others; and the mercy of thy God is better than (the wealth) that they amass * And were it not that all people would have become one community. We might well have appointed, for those who disbelieve in the Beneficent, roofs of silver for their houses and stairs (of silver) whereby to mount * And for their houses doors (of silver) and couches of silver whereon to recline * And ornaments of gold. Yet all would have been but a provision of the life of the world. And the Hereafter with your God would have been for those who keep from evil.}[25]

Ranks, according to these verses, are not confined to a certain person or inherited from one person to another, but they are opened to distinctiveness, since the first verse is a dialogue with the disbelievers who thought that revelation must be to some great man of the two towns.

'Taking labor from others' means division of labor among people, based on specialization and mutual utilities. Explaining this phrase, Al-Baidawy said, "(it is) to refer to each other in fulfilling your needs, thus ensuing familiarity and discipline among them, and a work system is organized, not because of the perfection of the wealthy nor the incapability of the poor."[26] Moreover, Ibn Kathir (died 774A.H.) said, "To depend on each other in works because those need those, and those need those."[27]

Al-Razy added, "If we halt this difference among people in strength and weakness, knowledge and ignorance, skill and idiocy, activity and idleness, by doing that we will be equalizing them in all situations, and no one will work for another, nor anyone will serve another and then, this will lead to the destruction of the world and corruption of the law of nature."[28]

Al-Alosy said, "To work for each other for their own interests, referring to their jobs to be subjugated to their activities, thus seeking livelihood, branching (from each other) and connecting (to each other), not because of the perfection of the wealthy nor the incapability of the poor."[29]

Islamic Personal Distribution

The policy fostered by Islamic economics realizes the equilibrium in distributing the wealth structure or the so-called personal distribution. This is observed in the normal conditions which implements basic Islamic rules. However, in exceptional situations, the Islamic law interferes to stand beside the poor defending them from necessity and risk from tyranny. Allah says:

﴿كي لا يكون دولة بين الأغنياء منكم

in order that it may not (merely) make a circuit between the wealthy among you﴾ [30]

This verse was revealed during the raid of Beni Al-Nadir where the money (booty without war) brought forth for distribution was especially bestowed and given by Allah to the poor.

Commenting on this event, based on Al-Zahry's narration, "The properties of Beni Nadir were bestowed by Allah unto His Prophet without being disturbed by horses and convoys (armed forces). Thus they were entirely for the Prophet as he divided them among the emigrants (of Mecca) without giving anything to supporters (of Medina) with the exception to two men who were poor."[31]

In the light of his understanding of purposes behind Islamic legislation, the Second Caliph, Omar Ibn Khattab, acted, as we mentioned before, upon the new opened lands. Supposedly, he should have divided the lands among the Muslims applying what is said by the Quranic verse :

﴿واعلموا أنما غنمتم من شيء فأن لله خمسه...﴾

﴿And know that out of all the booty that ye may acquire (in war) a fifth share is assigned to Allah...﴾[32]

So he had to take the fifth share which is for Allah and divide the remaining four fifth shares among the Muslims, following the Prophet's deed when he opened the lands of Kheiber. However, Omar found that the land areas were millions of feddans to be divided among only several thousands, which means huge properties in the hands of the few. Thus, he refused dividing the land. Some Companions objected to his refusal considering him breaking a Quranic ordinance. Abdel Rahman Ibn Oaf said: "How would you abstain what Allah has bestowed them through their swords? Omar replied: "What about the coming generations of Muslims who will find the land opened, inherited from their ancestors and possessed? Responding to another he said: "For Allah sake ! after me, it will not be of benefit to open a country of big attainment where all (its citizens) are sustained by Muslims." That is to say he was looking forward to the less prosperous countries being sustained by Muslims.

He further pointed out: "Do you want the coming generations of people to find nothing for themselves?" Again answering those who objecting that he did follow the Prophet's division of land in Kheiber: "Had it not been for the successors (those who will be Muslims in the future), I would have divided any opened village the way the Prophet had divided Kheiber."

Therefore, the lands were kept in the hands of their inhabitants taking from them *kharaj* (land tax) for all their contemporary Muslims as well as the succeeding generations. This manner corresponded to the Quranic verse:

﴿والذين جاءوا من بعدهم يقولون ربنا اغفر لنا ولإخواننا الذين سبقونا بالإيمان﴾

﴿And those who came after them say: "Our God! forgive use and our brethren who came before us into faith﴾[33]

According to Abdallah Ibn Abu Bakr, Bilal Ibn Hareth Al-Mazny went to Prophet Muhammad asking for a piece of land, so the Prophet gave him a large land. When Omar came to rule, he told him: "O Bilal when you asked the Prophet to give a wide and long land, he did grant it to you because he never denied a request. Now you cannot stand it (as being a huge area) in your hands." He said: "Yes". Omar said: "Decide which (area) you are able to develop in order to keep it for yourself and that which you cannot develop to give it to us to be divided among Muslims." Bilal retorted: "No I will not for Allah sake (give) anything which Prophet Muhammad had given to me." Omar insisted: "For Allah sake you will do." So he took from him the areas which were not developed and divided them among Muslims.[34]

With the arrival of a group of needy people in Al-Medina, Prophet Muhammad considered that an emergency condition, so he prohibited saving sacrifice meat until they left the place. Then, according to his wife Aisha, as cited in Malik, Muslim, Abu Dawood and others, he said: "I have prohibited you because of emergency which came forth so (now) eat, save and give charity."[35]

The Prophet said: "When Al-Aashareen (a tribe) are exposed to widowhood cause of a raid, or when their children starves in the Medina, they gather what they have in one container to be equally divided among themselves. They are with me and I am with them."[36]

Al-Menawy (died 303A.H.) indicated in *Faid Al-Kadir* that "The Sultan in time of crisis divides the poor (to be sustained) among rich people in order not to be harmed."[37]

Therefore, the purposes to be achieved by Islam are:

1. Not to let wealth transgress the bounds of group interests and people's subsistence so as not to permit the tyranny of the wealthy. Allah says:

﴿كلا إن الإنسان ليطغى * أن رآه استغنى﴾

﴿Nay, but man doth transgress all bounds * in that he looketh upon himself self-sufficient﴾[38]

﴿ولو بسط الله الرزق لعباده لبغوا فى الأرض﴾

﴿And If Allah were to enlarge the provision for His Servants, they would indeed transgress beyond all bounds through earth﴾ [39]

﴿كلا إنها لظى * نزاعة للشوى * تدعو من أدبر وتولى * وجمع فأوعى * إن الإنسان خلق هلوعا * إذا مسه الشر جزوعا وإذا مسه الخير منوعا * إلا المصلين الذين هم على صلاتهم دائمون * والذين فى أموالهم حق معلوم للسائل والمحروم﴾

﴿By no means! for it would be the fire of hell * plucking out (his being) right to the skull * inviting (all) such as turn their backs and turn away their faces (from the right) * and collect (wealth) and hide it (from use) * Truly man was created very impatient * fretful when evil touches him * and niggardly when good reaches him * Not so those devoted to prayer * those who remain steadfast to their prayer * and those in whose wealth is a recognised right * for the (needy) who asks and the deprived﴾[40]

2. Avoid luxury which is followed by excessive wealth leading to deviation and sinfulness. Allah says:

﴿وإذا أردنا أن نهلك قرية أمرنا مترفيها ففسقوا فيها فحق عليها القول فدمرناها تدميرا﴾

﴾And when We decide to destroy a population, We send commandment to its folk living at ease, and afterward they transgress (commit admonition) therein, and so the Word (of doom) hath effect for (deserve it), and We annihilate it with complete annihilation.﴿[41]

No civilization declined but luxuriousness was one of the major causes of its weakness. Thus, Islam forbids men to wear gold and silky clothes, in order to avoid living in luxury.

3. Extract envy and hatred from the hearts while spreading out a sense of mercifulness and sympathy among different sectors of society. According to Ibn Hazem (died 456A.H.) Omar once said : "If I were to live as equal to what I have lived, I would have taken the extra money of the rich to divide it among the poor of the emigrants."[42] He was afraid that the rich will be indulged in luxury and discontentment of Allah's bestowal, while the poor will fall in envy and sedition. Actually, he did not execute what he had said, because there was not a pressing need for that, since the public treasury was open for all even the rich. He said it fearing that wealth may be in common use and circulation in the hands of the rich.

Prophet Muhammad said: "O son of Adam it is good for you to spend what is extra and it is evil to keep it."[43]

What is extra is that which exceeds the state of richness and is a redundant surplus. Sufficiency is that which fulfills the need and does not exceed its amount, on a condition that something could be left for heirs in order not to ask others to feed them.

As narrated by the Companion Saad Ibn Abi Wakkas, "In the year of the farewell pilgrimage Prophet Muhammad visited me while I was almost dying of illness. I told him: 'O Messenger of Allah I am so ill, and I am wealthy while no one will inherit me but a daughter, can I pay charity with two-third of my wealth?' He answered: 'No', I said: 'The half', then he said: 'One-third and one-third is a lot; if you leave your inheritors rich is better than leaving them (begging) dependent on people.'"[44] Moreover, according to Abu Hurairah the Prophet said: "The best charity is that which comes from the rich, as the upper hand is better than the lower hand, so start with those whom you support."[45]

The Islamic system by itself solves the problem of diverse levels of income. It does not permit the wealth of the nation to be in the hands and control of the rich, so redundant surplus should be obtained from them. Also, *Ahl Al-Hal Wa Al-Akd* (a committee for consultation) should be composed to set down the margin of wealth in order to eschew tyranny while not affecting the vigor of competition and work. This is done through:

1. The Islamic call for spending money at a national level, an automatic factor for re-distribution. Example of such expenditures are *waqf* (religious endowment), expiatory gifts, testaments, obligatory and voluntary living expenses of relatives. This reduces some of the state burden to provide the necessary social care.
2. Islamic forbidding to acquire incomes via usury, monopoly, eating up money in vanity and theft. Also, Islam prohibited using power and authority to obtain wealth, as it permitted the confiscation of wealth which is accumulated through any of the mentioned methods to be allocated in the public treasury and spent on public interests. For instance, when the Prophet's envoy, an employee, to collect the alms, received a present, the Prophet reproached him by saying:

"What about an envoy I send! then he says 'this is for you and this is a present given to me, did not he stay at his father or mother's house and see if anybody will give him a present?'"[46]

3. Partnership which is a distribution method of the resulting work. It realizes a state of equilibrium, whereas usury impoverishes the investor for the sake of the loaner, and thus shatters the income distribution system. When the worker shares the profit as sometimes happens in a partnership (*mudaraba*), his condition improves since his income increases, and is thus being less abused, since the gap between the owner of money and worker is, to a certain extent, abridged. Under these circumstances, the worker income matches with the price system, whereas fixed wages with soaring prices lead to an augmentation of the employer's profit and a continuous reduction in the worker's living standard, causing rising of prices and high living expenses. This situation comes to an end when inflation disappears as well as a free well-defined (unexploitive) contract is held between the employer and employee or worker.
4. Inheritance which is a compulsive way of breaking down big fortunes when descended to children. No one can avoid this distribution of wealth by transferring larger amount of his properties in the hands of one of his children. Inheritance is a continuous re-distribution of wealth and an income among individuals which restrain from confining wealth to the rich only.
5. The prime and most essential point of income re-distribution in Islam, i.e. *zakat* (alms). The guardian, or concerned party, extracts 2.5% of net worth of the wealthy every year to meet the needs of the poor. According to an Islamic law, if the *zakat* is not enough, it is likely that the

state takes a higher percentage of *zakat* to ensure a minimum subsistence standard of every individual in society.

The idea of the re-distribution of income as a purpose of *zakat* is clear in the Islamic texts. Prophet Muhammad indicated that *zakat* is: "taken from the rich to be given to the poor."[47] Likewise, justice and sufficiency are spread out in the Islamic nation, the best nation evolved for mankind.

AL-Rizk

Al-Asfahany (died 508A.H.) illustrated that, linguistically, *al-rizk* is current bestowal (pertinent to either the mundane world or the Hereafter), or share, or what reaches stomach as nutrition. Also, it is said that the sultan gave rizk (ration) to the soldiers. It is an attainment, like when it is said I acquired (through *al-rizk*) knowledge.[48]

Al-rizk in the Arabs' speech is share and share is man's portion. It was alleged that *al-rizk* is all things eaten or used, but this is null because Allah ordains us to spend money from *al-rizk* what He has bestowed us. Therefore, if it is what is eaten, then we will not be able to spend from it. Others said that *al-rizk* is what is owned or possessed, while man asks Allah to send him the *rizk* of a good child or wife. Both are not possessed or owned.[49] Allah says:

﴿يا أيها الذين آمنوا أنفقوا مما رزقناكم من قبل أن يأتي يوم لابيع فيه ولاخلة ولاشفاعة والكافرون هم الظالمون﴾

﴾O ye who believe! spend out of (the bounties) we have provided for you, before the Day comes when no bargaining (will avail), nor friendship nor intercession. Those who reject faith are wrong-doers.﴿[50]

The Prophet says: "An urban man should not sell to a Bedouin (only), let Allah provide (*al-rizk* bounties) people from each other."[51]

Allah created man providing him with *al-rizk* and means to its attainment. All the world is subordinated to man whether he likes it or not. Even what is produced by cattle and tree fruits is included in his possession. It is transferred from one generation to another whether people like it or not.[52]

The economists consider *al-rizk* (income) flowing continuously throughout the year whereas money (wealth) is a sort of balance which is calculated in a certain time, e.g. towards the end of the year. Thus, the term expenditure or spending is used for *al-rizk* (income) for its continuity.

The abundance of *al-rizk* or its narrowness does not indicate honor or humiliation, since the mundane world is a place of trial and not a place of reward like the Hereafter.
Allah says:

﴿إن ربك يبسط الرزق لمن يشاء ويقدر﴾

﴿Verily thy God doth provide sustenance (*al-rizk*) in abundance for whom He pleaseth and provideth in a just measure﴾[53]

Honor resides in deed as the believer gratefully thanks Allah in prosperity and is patient in time of narrowness and hardship. On the contrary, the wrong-doer thinks that prosperity and abundance is honor, while niggardliness in *al-rizk* (bounties) is a kind of humiliation.

﴿فأما الإنسان إذا ما ابتلاه ربه فأكرمه ونعمه فيقول ربى أكرمن * وأما إذا ما أبتلاه فقدر عليه رزقه فيقول ربى أهانن﴾

﴿Now, as for man, when his God trieth him, giving him honour and gifts, then he saith he (puffed up) "My God hath honoured me" * But when He trieth him, restricting his subsistence for him, then saith he (in despair) "My God humiliated me"﴾[54]

Al-rizk in Islam is not restricted to material earnings and sensuous satisfaction like in positivism, but rather it encompasses spiritual and intellectual satisfaction, responding to spiritual needs.

Mentioned by Ibn Manzor (died 711A.H.), there are, therefore, two kinds of *al-rizk*: one is displayed for the body as food, while the second is latent for the hearts and selves like knowledge and sciences.[55]

In Al-Taftazany's view (died 793A.H.), striving for *al-rizk* is a must in time of need, desirable for improving living standards and permissible for getting richer, but without committing any forbidden deed like seizure, theft or adultery.[56]

To earn a living is the system under which the world operates. In order for the world to survive until a certain time as ordained by Allah, people should earn their living and if they abstain from such an act they will be destroying and breaking the rules of the world existence.[57]

To work and earn a living for the family is one of the most important duties. Because accumulating wealth and love of money are already innate human instincts, Allah did not make the duty of earning a living a manifest religious obligation like prayers, pilgrimage and paying alms. Furthermore, this duty protects us from others' harm and from beggary. Moreover, accumulating money deters fellow man from looking at the money of one another.[58]

NOTES

1. A.W. Stonier and D.C. Hague, *Economic Theory*. Longman, 1957, p.210.
2. George N. Halm, *Economic Systems: A Comparative Analysis*. 3rd edition. Holt, Rinehart and Winston Ltd,

1971. Translated by Ahmed Radwan. Maktabat Al-Anglo Al-Misria, 1981, pp. 38-39.

3. J.L. Hanson, *A Dictionary of Economics and Commerce*. Macdonald Andrews, 1973, p.167.
4. Harold Williams, *Macroeconomic Theory: Selected Works.* Herffrigle Prentice Hall, New Jersy, p.36.
5. Harvey S. Rosen, *Public Finance*. Irwin Inc., 1985, p.93.
6. *Sahih Muslim*. Vol.1 Al-Halabi, p.417.
7. Abbas Al-Aqqad, *Al-Dimokratia Fi Al-Islam* (Democracy in Islam). 4th ed.Dar Al-Maaref Al-Misria, 1971, p.92.
8. Surat Al-Nahl (Bees) verse 71.
9. Surat Al-Molk (The Sovereignty) verses 1-2.
10. Surat Al-Baqara (The Cow) verse 273.
11. Surat Al-Liel (The Night) verses 8-11.
12. Surat Hud verse 85.
13. Surat Al-Hashr (Exile) verse 7.
14. Surat Al-Anaam (Cattle) verse 165.
15. Surat Al-Isra'a (The Sons of Israel) verse 55.
16. Surat Al-Baqara (The Cow) verse 253.
17. Surat Al-Anaam (Cattle) verse 132.
18. Surat Al-Nissaa (Women) verses 95-96.
19. Al-Albani, *Sahih Al-Gamiaa Al-Saghir Lil Souyouty*. Vol.1 Al-Maktab Al-Islamy, 1406A.H., p.311.
20. Al-Shafaay, *Al-Risala* (The Message), investigated by Ahmed Muhammad Shaker. Vol.3 Al-Halabi, 1940, p.518.
21. Surat Luqman verse 14.
22. Muslim, *op.cit.*, Vol.2, p.14.
23. Muslim, *op.cit.*, p.422.
24. Muslim, p.421; Surat Muhammad verse 22.
25. Surat Al-Zukhruf (Ornaments of Gold) verses 31-35.
26. *Tafsir Al-Baidawy*. Vol.7 Dar Ihyaa Al-Turath Al-Araby, Beirut, p.441.

27. *Tafsir Ibn Kathir*. Vol.4 Dar Ihyaa Al-Turath Al-Araby, Beirut, 1969, p.127.
28. Al-Fakhr Al-Razy, *Al-Tafsir Al-Kabir* (The Great Interpretation). Vol.4 Dar Al-Ghad Al-Araby, p.27.
29. Al-Alosy, *Roh Al-Maany Fi Tafsir Al-Quran Al-Azim Wa Al-Sabaa Al-Mathany*. Vol.5 Dar Al-Fikr, Beirut, 1978, p.78.
30. Surat Al-Hashr (Exile) verse 7.
31. Yehia Ibn Adam Al-Qorashy, *Al-Kharaj* (Land Tax). Dar Al-Marefa, 1399A.H., p.33.
32. Surat Al-Anfal (Spoils of War) verse 41.
33. Surat Al-Hashr (Exile) verse 10. Most of interpretations provide that "those that came after them" refers to both emigrants and supporters who share in war booty with fighting. That was Omar's reason not to apply the Prophet's way of division saying: Every Muslim should be included (those coming generations).Al-Qortoby, *Ahkam Al-Quran* (The Commands of Quran). Vol.8 Dar Al-Kottob, 1387A.H., p. 22.
34. Al-Qorashy, *ibid.*, p.93.
35. Muslim, *op.cit.*, Vol.2. p.84.
36. *Sahih Al-Bokhary*. Vol.2. Dar Al-Shaab, p.74; Muslim, *op.cit.*, Vol.7 p.171.
37. Al-Menawy, *Faiyd Al-Kadir Fi Sharh Al-Gamia'a Al-Saghir*. Vol.4 Dar Al-Fikr, 1391A.H., p.265.
38. Surat Al-Alak (The Clot) verses 6 and 7.
39. Surat Al-Shura (Counsel) verse 27.
40. Surat Al-Ma'arij (The Ascending Stairways) verses 15-25.
41. Surat Al-Isra'a (The Sons of Israel) verse 16.
42. Ibn Hazem, *Al-Mahaly* (The Local). Vol.6 Al-Maktab Al-Togary, p.158.
43. Muslim, *op.cit.*, Vol. 2, pp. 11-12.

44. Al-Bokhary, *op.cit.*, Vol.3, p.268; Muslim, *op.cit.*, Vol.1, p.413.
45. Al-Bokhary, *op.cit.*, Vol.3, p.86; Muslim, *op.cit.*, Vol. 2, pp. 11-12.
46. Al-Bokhary, *op.cit.*, Vol.1, p.243; Muslim, *op.cit.*, Vol.1, p.413.
47. Al-Bokhary, *op.cit.*, Vol.2, p.130; Muslim, *op.cit.*, Vol.1, p.413.
48. Al-Ragheb Al-Asfahany, *Al-Mofradat Fi Ghareeb Al-Quran* (Unfamiliar Terms in Quran). Dar Al-Maarefa, p.194.
49. Al-Razy, *op.cit.*, Vol.2, p.394. See the difference between *Al-Rizk* (income) and wealth under the subject of capital.
50. Surat Al-Baqara (The Cow) verse 254.
51. Al-Bokhary, *op.cit.*, Vol.2, p.19.
52. Al-Razy, *op.cit.*, Vol.24, p. 424.
53. Surat Al-Isra'a (The Sons of Israel) verse 30.
54. Surat Al-Fajr (The Dawn) verses 15 and 16.
55. Ibn Manzor, *Lisan Al-Arab* (A Dictionary). Vol.10 Dar Sader, p.115.
56. Masoud Ibn Omar Al-Taftazany, *Shareh Al-Makased* (Explaining Purposes). Vol.4 Maaktabat Al-Koliat Al-Azharia, p.319.
57. Muhammad Ibn Al-Hasan Al-Shibany, *Al-Iktisab Fi Al-Rizk Al-Mostatab* (Profit From Good Earnings). Dar Al-Kottob Al-I'lmiaa, 1406A.H., p.29.
58. Al-Hussien Al-Siyaghy, *Al-Rowd Al-Nadeer Shareh Magmoua' Al-Fiqh Al-Kabir* (Blooming Meadow in The Explanation of All Religious Understanding). Mataba'at Al-Sa'ada, 1374A.H., pp.207 & 208.

Chapter Five

SOCIAL SOLIDARITY

ECONOMIC GRANTS

The sweeping poverty in a large sector of the globe is a jeopardy threatening mankind today. Thus, civilization should be measured by the extent to which such a jeopardy is effectively combated.

Prophet Muhammad says: "He is not a believer who feels satisfied and his adjacent neighbor is hungry."[1]

Ali Ibn Abi Taleb says: "Allah obligated the rich in their wealth to pay (*zakat*) the amount which can sustain the poor, so if it happens that they are exposed to hunger, nakedness or fatigue, then it is because of the rich (niggardliness). It is the right of Allah to question them in the Day of Resurrection and to torture them for that."[2]

Islam differentiated between the right of the poor and the right of the group by dividing the public treasury into one for *zakat* and the other for public interests. Abu Youssef (died 183A.H.) indicates that, "the *kharaj* (land tax) should not be added to alms and the *al-oshor* (one-tenths of the harvest of cultivated lands as *zakat*), because the *kharaj* is for all Muslims while alms are restricted to those mentioned by Allah in His Book (Quran)."[3]

Therefore, dealing with the contemporary economic problem, Islam provided an explicit distinction between the public sector and that of the private sector by separating public production from social needs, distinguishing between individual rights and that of the group. In political terms, it differentiates between democracy and socialism, and with economical terms posing a middle state between the market

mechanisms which prefer private interests, and central planning which serves public interest.

The state is responsible for fulfilling the social needs by supporting all the needy through the *zakat* paid by the rich to the poor. Thus, sustaining the livelihood of every family, the state achieves a sense of solidarity among its public, from the lower sections of society to the top, through obeying Allah. Under such circumstances, Islamic finance is not entrapped in the problems of subsidies which are given to both the rich and the poor, nor in the drawbacks of insurance which is granted only to those who pay the insurance subscription.

Concerning the developmental role of public production, as undertaken by the government through its resources, it goes under the public treasury of public interests. This role is executed only when the private sector fails to play this role, so the public sector is established under certain regulations which control its operation and expansion.

Omar Ibn Al-Khattab puts down a charter for public treasury by saying: "O People! no one will have his right if he follows (somebody) in disobeying Allah. I do not find that wealth lawful unless it is through three (paths): attained by right, provided by right, and restrained from erroneousness. My relation to your wealth is like the guardian of the orphan's wealth, who claims no remuneration when satisfied, and has what is just and reasonable in case of poverty. I (not only) do not back the one who is unjust with another or be aggressive to him, (but) I put his cheek to the ground (to humiliate him) and put my foot on the other cheek until he surrenders to truth and righteousness. O People! I bear the following responsibilities which you have to question me (if not accomplished): I will not take from your *kharaj* which Allah has bestowed to you, unless it is for Allah's sake, whatever goes into my hands will not be disbursed unless it is in the right place, I will (do my best) to increase your donations and

providence due to Allah Almighty as well as I will defend your frontiers..."[4]

Social Care in the West

Nowadays, there is a strong conviction that social care can not be realized on spontaneity, as economic development alone can not grant neither justice nor care. It became explicit that achieving such social goals entails not just a conscientious governmental intervention but social care should constitute a first priority in its agenda.

The fundamental goal of the expenditure aspect in the Islamic budget is to achieve a subsistence standard of living for every Muslim, since it is a guarantee for human freedom. History tells us that during the slavery era, the time of pharaohs or under feudalism, nothing enslaved man but his being deprived from the right of subsistence. Thus, the ghosts of fear and starvation kill dignity in man, becoming a slave to a master, to a pharaoh, or to a landlord.

The same story is repeated today under monopolist capitalism which humiliates workers by firing them, exposing them to hunger and insecurity. Under socialism man is deprived from the right of private ownership. He is fed by the hands of the government, so he is prevented from subsistence if the state does not trust him. This is typical to pharoanic enslavement, although situated under different names.

Some people in the West believe that aid has a bad social effect because it conflicts to a great extent with the beneficial aspect of progress. They assume that the population pressure on the sources of livelihood, from the evolutionary point of view, hinders the survival of the unfitting weak, a state considered for the interest of society. In other words, those incapable of supporting their living should preferably die, rather than being a burden on others. According to this view, no one should interfere in the natural results of competition,

as those who are weak should not receive any aid or assistance since it is considered a partial robbing from the wealth of the rich.

Herbert Spencer looked at charity as conflicting with the law of nature which calls for the survival of the fittest. It drives people to deterioration and decline because it enhances the survival of those who should perish. Therefore, charity and taxes in all their forms turned out to be a kind of injustice and corruption which empower the elders, and those mentally and physically weak to survive. Likewise, the call for cooperation in the name of philanthropy became misleading.[5]

This vicious way of thinking is awfully embodied in Nietzsche's thought which rejected the existence of absolute values and fixed unchangeable criteria. He refused referring them to God or even to human mind, and thus he negated the existence of benevolence in itself. He proposed that man alone should set the measures due to his changing conditions.

Nietzsche further notes that the values of slaves contradict with the laws of nature. When it is natural that the survival is for the fittest and the perishing is for the weak, the slave values help the weak and idiot by establishing hospitals for them. Also, while by nature man confronts aggression with a similar aggression, the slave values encourage the persecuted to be patient in enduring harm as enduring persecution is better than doing it and in some cases they demand the love of the persecutor. Moreover, whereas it is natural that people differ in their levels, the slave values call for egalitarianism.[6]

Such anguish and oppression in the capitalist communities were portrayed in their literature as seen in the novels of Charles Dickens.

A violent reaction was expected to appear in such a harsh way of living. An aberrant communal tendency emerged, as well as strong movements against distinctiveness in all its forms. Class maliciousness came to sweep in its way what

benefits and corrupts society at the same time. This satanic trend was spread throughout the world, degrading human nature and dignity; people did not wake up from this nightmare until it gripped their necks with its poisonous claws, leaving them unable to even yell.

Such danger continued to menace capitalism in its states until it got up from its sleep, brushing out ruining ideas which ensnared it in this crisis. Waked by wounds and bleedings of the communist harmful frenzed dogs, capitalist countries tried to treat the problem by insurance and fiscal policies.

Social care in the world, whether in the East or West, takes today the form of social and commercial insurance in one aspect, and the provision of social goods in another.

Commercial and Social Insurances

The following facts should be taken into account:

1. The so-called civilized world did not know of any methods of social care, which provided to the poor and needy, nor helped the debtors, until only hundreds of years after the divine ordinance of *zakat*.
2. It did not reach till this moment the Islamic level in considering social solidarity a right without any condition or state in return. What is known as social guarantee is based on donation and not right, so its budget is limited, as it finishes if used up.
3. *The insurance system* depends on subscription, i.e. it is an expenditure among the well-off and no room for the deprived since they are incapable of paying the installments. The installment is not calculated according to financial ability, since it is taken from a poor employee who is indebted to his salary, so the system is subjected to actuarial usury. In addition, the compensated sum diminishes as a result of inflation, i.e. the value of the currency is less in the compensation than in the installment.

4. The system of commercial insurance has been converted from care to trading with security by exploiting people for the profit of the insurance companies. It is par excellence a saving channel for investment, so the actual social services narrow down by increasing taxes and installments, restricted by conditions, which eventually reach the extent of eating up money in vanity. It is legally described as a contract of submission.
5. It has been changed in the mind of people from a major function of supporting the impoverished and sympathizing with those harmed in their selves and wealth, to a usury method realizing profit of the company and supplying an income to the state.
6. Let us make a comparison between social insurance and *Zakat*:

Social Insurance	***Zakat***
♦ An installment is taken regardless of the financial capability of the payer.	♦ It is derived from the rich who owns *nissab* (minimum of property liable to payment of *zakat*).
♦ Given according to the salary and the subscription years disregarding need.	♦ Given according to the need without a condition or return.
♦ Given only to subscribers.	♦ It is a right for every poor and needy person.
♦ Used by the state as a source of income and savings.	♦ It supports the needy only & immediately.
♦ Its value diminishes by time as a result of inflation and devaluation.	♦ Not affected by inflation since there is no relation between the installment and compensation.
♦ It is a commutative contract between installment and compensation.	♦ A right of the poor and needy in the wealth of the rich.

Social Security

In an attempt to combat socialism which called for public interest on the expense of individual rights, capitalist states claimed its care for individuals by applying progressive taxes as a kind of just distribution, social security as a social care, and lending aids for backward countries. Slogans were raised calling for fighting poverty by meeting the needs of the poor, disease by medical care, illiteracy by scholarships, unemployment by pension programs, racism by equality, and pollution by environmental cleansing.

In spite of these slogans, justice was not achieved. According to a report by the Social Justice Committee of the British Labor Party, it, in its proposal titled, "A Partnership Project Between the State and Society", showed that in Britain during the decade 1982-1992, taxes increased on the one-fifth of society representing the bottom-line of poverty causing an indirect tax burden, whereas taxes decreased on the one-fifth of society which attains top incomes in order to reduce direct taxes on the government. While managerial salaries were raised by 133%, the worker wages increased only by 48%. As a result, a rise in the rate of poverty in this decade was witnessed. The report asserted that by all means the percentage of poverty increased in Britain with an accelerating pace, especially among families having children depending on one supporter. In 1979, there was a child in every ten who lived in a low-income family but now one family in three suffers poverty.[7]

There is an official British report which notes that 10% of the total population are suffering abject poverty in a climate where income level generally increased.[8]

The United States does not live in a better condition since not less 10% of the total population live in extreme poverty, astray people are more than half a million, and not less than 45 million persons live under the official poverty line.[9]

The International Revenue Service estimated that in 1976 between $100 and $135 billion of taxable income was not reported by individuals on their tax returns. It was pointed out that the development of the secret tax evasion causes troubles to society. Honesty is thus a desirable quality for ethical reasons and for the functioning of the economy and society which should need an internal conscientiousness. Otherwise, more arrangements, rules and employees will be executed to arrest the cases of evasion. This means higher expenditures which are costly for the government. Just imagine what would happen to efficiency if for every transition you had to take precautions against being cheated.[10]

Misgrave condemned the system of social security in the United States claiming that it encourages destroying the family by assisting the family whose supporter is absent. Besides, the financial assistance is so low to be enough even for a spoiled animal. This social program leads workers to unemployment when they find out that social security payments are better than the work conditions, adding to the taxes deducted from the salary. The family need is not considered when the financial assistance is estimated, so it is usually inadequate. About 40% of the poor live in a family headed by a worker working all day.[11]

The number of those needing social security in the West are increasing due to the disappearing dignity incentives and the respect of work duty, along with the absence of conscience and the prevalence of deception in veiling information and hiding resources. That was discovered by the committees responsible for minimizing tax deceptions in England.

Therefore, it is clear that social security in the West has not realized justice in obtaining and charity in giving. This is proved by: a) The continuous suffering of the poor. b) Bad income distribution. c) Increase in governmental expenditure.

Commodity Support

Among the methods of social care was the system of supporting commodities under socialism. The outcome was as follows:

1. Subsidies did not differentiate between the wealthy and the poor. It was a kind of assistance given equally to everybody, thus missing the aim behind it.
2. More seriously, these subsidies are smuggled to illegal incomes of unethical mediators who buy these commodities in the black market.
3. In some cases subsidies benefit the rich in particular. For example, in Egypt merchants of spinning and textile, and those of candies benefited from the subsidies on spinning and the best quality of flour. Cattle breeders benefited from the subsidies on yellow maize, while bread was used to feed cattle and poultry as it was cheaper than any other fodder.
4. Such subsidies were exposed to inflation and deficit in expenditure. Thus, the poor were those who endured the whole burden suffering a reduction in their actual income. This is because of the rich who raise the prices for the poor and limited-income citizens.
5. In addition to what is known about the public sector where chaos, theft and negligence prevail, steering people into socialism in the state of poverty.
6. Subsidies corrupted national calculations leading to a disturbance in resource allocation.

A New Perception

Western scientists realized the failure of the theory which is based on a mixture of capitalism and socialism which spread out in the Western world. This attitude was normal in the anti-communism era but the situation has changed with the social-

ist decline and the absolute sovereignty of the West raising the motto of the new world order.

Under such settings emerged a political debate entitled "Communitarianism" by Amitai Etzioni, a George Washington University sociology professor. The debate inspired Clinton's campaign for presidency, reconciled the Conservatives and Labor Parties of the United Kingdom, and was used by the German Chancellor. The theme of this thought strives for lessening the state responsibilities to support the needy to be shouldered on the individuals, families and society. "We are all brothers and sisters but we can't wait for government to take care of our responsibilities, do our share," Etzioni explained. Assistance should be carried out by the nearest then the nearer, on this scale, the individual, family, community and eventually the state. Communitarians support the traditional family, favor moral instruction in the schools and fight crime. "They want to muster the force of institutions to make people do the right thing...In the 1960s, liberals destroyed the good-like family and respect for community - with the bad." Etzioni commenting on that era, "There was a fear of moral voices. But we are saying that there are values we can all agree on. And there is evolving a new consensus that we made a mistake about letting go of those values."[12] Thus, it is an appeal to re-introduce morals in the community which has been living up with secularism for long period, rejecting value judgment.

It is noticeable that:

1. This moral exhortation is used in a political address but does not represent a work plan. This means that the needy will lose governmental assistance, where, at the same time, other social care circles are not evolved. Isn't it the same line of revival of the fierce ill-nature capitalism, as is the case in the political arena in the form of having multiple measures in coping with different issues, or in the

economic sphere as seen in their economic imperialism in the Third World by multinational corporations and economic agreements!

It seems doubtful that communitarism would follow the path of the Western civilization when it took from Islam the values of freedom and *shura* (consultation), raising the slogans of human rights and democracy regardless of other Islamic values and rules. It turned out to be a freedom for pressure groups, monopolies and imperialism, leaving such values ineffective.

2. Some Americans criticized Communitarianism, like Samuel Walker, a University of Nebraska professor, "These people are supposed to be intellectuals and academics, but their movement is mostly just moral exhortation. They do not offer a program that makes communities stronger. Instead, they just play on fears." This view might lead to an attack on individual freedom, curtailing the rights of minorities and the poor. On the contrary, Islam has its detailed plan to be discussed later. The author of this book has presented this issue in two books written ten years ago.[13]
3. We intend to stride into the coming century with a guarantee that will save the civilization from a collapse. This can not be accomplished with merely a call for morals, family values and caring for others, but rather there should be an application of religious laws ordained by Allah who created the world, life and man.

The West should abandon the indulgence in issues like clash of civilizations creating out of Islam an illusive enemy in order to gain momentary benefits and undeservedly feel superior on earth. Instead, there should be a thrust toward a scientific method to put the anguish suffered by people to an end and save mankind from the encroaching threats, no way but the return to Allah.

﴿يا أهل الكتاب قد جاءكم رسولنا يبين لكم كثيرًا مما كنتم تخفون من الكتاب ويعفو عن كثير قد جاءكم من الله نور وكتاب مبين * يهدى به الله من اتبع رضوانه سبل السلام ويخرجهم من الظلومات إلى النور بإذنه ويهديهم إلى صراط مستقيم﴾

﴾O People of the Book! there hath come to you Our messenger, revealing to you much that ye used to hide in the Book and forgiving much. There hath come to you from Allah light and a perspicuous Book * Whereby Allah guideth all who seek His good pleasure to ways of peace and safety, and leadeth them out of darkness, by His Will, unto light - guideth them to a straight path.﴿[14]

Solidarity in Islam

Islam sets man free by the monotheistic faith, as no one bestows or gives but Allah. Such freedom is crowned with *sharia* (religious laws) by insuring a subsistent standard of living for every person in society. Therefore, through faith and *sharia* man is psychologically and practically free.

The *sharia* makes the Islamic pillar *zakat* a right of the poor and needy, based on the undoubted reality that man does not create but he adds benefits and utilities to things. Hence, he has the right of ownership, but since what is owned is originally created by Allah bestowed equally to all people, so the poor and needy have a known right which will fulfill their needs and save them from beggary. Allah says:

﴿وآتوهم من مال الله الذى آتاكم﴾

﴾Give them from the wealth of Allah which He hath bestowed upon you﴿[15]

The Prophet says: "I and who sponsors (the living of) an orphan or another (any person) is in heaven; also the one who

supports a widow or a needy is like *mujahid* (fighter) for the cause of Allah."[16]

The Solidarity Circles

The system of solidarity or subsistence in Islam stands on an integrated foundation. It starts with the individual then the family then society and eventually the entire humanity in its present and future. According to Gaber, the Prophet says, "Begin paying alms on yourself. If there is an excess, pay it on your family, and if something remains pay it on relatives and so on. (Look) between your hands, on your right and on your left."[17]

The state is finally responsible of supporting the needy in this decentralized system of solidarity. Religious jurisprudents admit that the subsistence of the abjectly poor, who does not have a rich relative, is from the Muslim public treasury. Solidarity receives its funding from *zakat*, so if it is inadequate, it is an obligation on the rich to sustain the poor from their wealth.

The Prophet says: "Who (dies and) leaves wealth so it is for his inheritors, and who has no inheritors so (his wealth is) for Allah and His messenger."[18]

Afterwards, Islam moves from the subsistence of society to that of the entire mankind no matter what its belief is. This should be achieved through voluntary charity. Prophet Muhammad says: "Be merciful with those on earth to have mercy upon you from the sky."[19]

Widening the circle of solidarity further, Islam set forth principles for solidarity and subsistence between generation throughout time. That was Omar's view when he refused to distribute the land of Sawad and brought about the system of *kharaj* (land tax) looking forward to the comers, so applying the Quranic verses:

﴿والذين جاءوا من بعدهم يقولون ربنا اغفر لنا ولإخواننا الذين سبقونا بالإيمان ولا تجعل فى قلوبنا غلا للذين آمنوا ربنا إنك رءوف رحيم﴾

﴾And those who came after them say: "Our God forgive us, and our brethren who came before us into the faith and leave not in our hearts rancor (or sense of injury) against those who have believed, our God thou art indeed full of Kindness and Most Merciful.﴿[20]

Islam, thus, applies this system of solidarity to everyday life, starting with the bottom as exemplified by the family, then society to end up with the state, so as to avoid excessive tasks, loosen expenditure and unjust treatment of citizens.

The features of the Islamic ranking can be summarized in the following:

1) The family is committed to support its members as ordained by Allah as an obligatory maintenance.
2) There are several recommended deeds followed by Muslims as to seek the pleasure of Allah in achieving social care. Among which are:
   a- *Waqf* (religious endowment).
   b- Religious Expiation.
   c- Voluntary Charity.
   d- The Will
3) The state is committed to support the poor and needy, who will remain, through *zakat*. If it is not enough the rich are responsible to meet their subsistence from their wealth.

I
The Solidarity of the Family

We previously mentioned the *hadith* narrated by Gaber concerning the method of expenditure starting with oneself then gradually encompassing family, first-class relatives and then including more and more relatives. Finally, if something remains one should search around to spend it.[21]

According Abu Huriarah, a man went to the Prophet saying: "I have a dinar," the Prophet said: "Spend it on yourself." He replied: "I have another." He told him: "Spend it on your children." He said: "I have other (a third one)." He replied: "Spend it on your family." He said: "I have other (a fourth one)." He answered: "Spend it on your servant." He said: "I have other (a fifth one)." The Prophet said: "You know better what to do with it."[22]

The individual should balance his way of expenditure following the Quranic verse:

﴿ولا تجعل يدك مغلولة إلى عنقك ولا تبسطها كل البسط فتقعد ملوما محسورا﴾

﴿Make not thy hand tied to thy neck (like a niggard's) nor stretch it forth to its utmost so that thou become blameworthy and destitute﴾[23]

The Prophet said: "The best charity is that which comes from a rich, as the upper hand is better than the lower hand, so start with those whom you support."[24]

Many Quranic verses emphasized supporting the family and kinsfolk.

﴿إن الله يأمر بالعدل والإحسان وإيتاء ذى القربى﴾

﴿Allah commands justice, kindness and giving to kinsfolk﴾[25]

﴿واعبدوا الله ولا تشركوا به شيئا وبالوالدين إحسانا وبذى القربى واليتامى والمساكين﴾

﴿And worship Allah and ascribe no thing as partner unto Him. And (show) kindness unto your parents, kinsfolk, orphans and the needy﴾[26]

According to Abi Ayyoub, the Prophet said: "The best charity is that paid to a blood relative who is inimical."[27]

Anass Ibn Malik cited the *hadith* that says: "The person who (feels) pleased to have wealth in abundance and to live long life should link to his blood relatives."[28]

The difference between charity and *zakat* is that the *zakat* is not given to a close kin whose maintenace is obligatory on his rich relative to fulfill, but it is permissible to pay him a charity.

The kinsfolk has a priority to receive voluntary charity. The Prophet says: "The charity to other than blood relatives is a charity, and to blood relatives it is two things, a charity and a link."[29]

Inheritance and subsistence are two means for social solidarity proclaimed by Islam to keep up the coherence of the family and ensure supporting the weak descendants after death. Thus, those who inherit should continue to support those who are in need.

The Obligatory Maintenance

Linguistically, *nafaqa* (maintenance) means expenditure as to spend money in benevolence. Its plural is *nafaqat* to mean man's support of his family. According to religious legality, it is a subsistent standard of living satisfying the needs of eating, clothing and residency.[30]

In order to know what is meant by the obligatory maintenance or support we must differentiate it from the cases to

which *zakat* is administered. It is consented that *zakat* of a person is not permissible to be spent on those whose living expenses are obligatory on him.[31]

Abu Obied remarks that: "Such are decisive rules which differentiate between those, whom he is obligatory to support, from others, as (those he must support are) his parents, children, wife and slaves. They have no right in his *zakat*. However, if he gives them from it, it is not considered acceptable (for he must pay it into the right determined channels as spelled out by the Quran) because they share him in his wealth through the rights that Allah has ordained unto them except the *zakat*. Then Allah made the *zakat* a separate duty different from the other obligations, so if he pays them from it, he will be dividing one right into two obligatory duties which is not possible nor executable. Therefore, these were identified to be out of those receiving the *zakat*. As for all others including blood relatives, their support is not obligatory as stated in the Book (Quran) and *Sunna*."[32]

According to the Maliky sect, relatives to whom maintenance is obligatory are the direct parents and children, while according to Al-Shafiaay it should apply to all ascendants branching from parents and grandparents and descendants branching from children and grandchildren. The opinion of the Hanefi sect stated that the obligatory maintenance is given to unmarriageable relatives such as uncles and aunts (parents' bothers and sisters). In Imam Ahmed's opinion, obligatory maintenance is applied to all relatives (no matter the degree of relationship) as all who inherit must be supported. Rights are reciprocal (profit with loss) and inheritance can encompass all relatives, whether close or not. Maintenance is obligatory to the inheritors according to their share in inheritance.

The following are the conditions under which the maintenance of the poor is obligatory:

1. A needy relative.
2. Incapability of earning the livelihood, with the exception of the father and grandparent.
3. The financial capability of the supporter (on which maintenance is obligatory).

In the Hanefi sect supporting relatives is not conditioned by believing in the same religion.[33]

The jurisprudents agreed that the subsistence of relatives is estimated so as to satisfy the needs of eating clothing and residency. Also, it is estimated according to the financial status of the supporter and national income if the needy is an infant in foster age...If the son, to which maintenance is paid, needs a maid, so he must respond to his request to complete his subsistence. If he (the son) has a wife, it is obligatory to support her in Shafiaai and Hanbali thought considering her among the subsistence of the son. Due to Hanefi sect supporting her is not obligatory, whereas in Maliky it is non-obligatory unless the husband is poor.[34]

II
The Solidarity of The Community

After discussing the first circle of solidarity, embodied in ensuring a social care of the family, let us move to a wider scale to include the second circle represented by the community. This second kind of solidarity is commanded by Allah to uproot traces of poverty and need in society, as well as to disseminate the feelings of mercy and affirm ties among members of the community.

In this sphere, there is a group of devoted deeds ordained by Allah to approach Him. They are accentuated in the conscience of the believer who cares for others seeking the pleasure of Allah and eventually heaven.

This policy facilitates the state's mission, when the needs of the poor are satisfied first by family ties, then through donations given by members of society in the form of various devotions and linkages which characterize the Muslim society.

Such a system reduces the financial role of the state. As a matter of fact, contemporary experience shows that expanding the role of state was initially aimed to assist citizens with limited-income. Thus, more and more centralized planning was encouraged in socialism. As a result, the role of the state was enlarged to the extent that it was the cause of the deterioration of the socialist economy and the collapse of the main idea. Today, in the West, especially in the United States, we confront two views; one calls for narrowness in social care because of the enlarged role of the state and the heavy burden of taxes; the second view, on the other hand, proposes the expansion in social care due the increasing poverty and decreasing means of maintenance.

Here we stand at the threshold of the miraculous Islamic system which achieves social care and security on a wide scale starting with the family, community and ultimately the state. The government covers up the remaining needs, likewise, its economic and financial functions are narrowed down.

A- Waqf (Religious Endowment)

Prophet Muhammad says: "When a son of Adam (man) dies, his deeds are stopped with the exception to three (things): on-going charity, or a science used, or a devout son (or daughter) praying for him."[35]

Abdallah Ibn Omar said that: "When Omar received a piece of land from Khieber said : 'O Messenger of Allah the hundred shares which I have attained from Khieber I have never have this precious wealth before, so I want to pay it as a charity.' The Prophet said: 'keep the assets and dedicate the fruits to charitable ends.'"[36]

Linguistically: *waqf* means lien and prevention.[37]
Terminologically: (defined by Al-Hattab (died 954A.H.)) it is providing a utility as a means of support.[38]

The *waqf* played a crucial role in developing the Muslim community, as its activities comprised all aspects of life. *Waqf* endowments went to the construction and maintenance of mosques, and to social care exemplified by paying the expenses of the poor and needy. Economically, lands were reclaimed and cultivated to serve the purposes of *waqf*. Houses were built to be invested for the interest of *waqf*. Furthermore, hospitals were established and money was spent on patients, and to improve knowledge in medicine and pharmacy. Educationally, schools and libraries were erected and scientists were supported. Expenditures encompassed the development of arm forces to resist the enemies. Also, propagators to Islam were encouraged and backed. Historical documentation and proofs assert that *waqf* helped in interweaving the coherence, strength and persistence of the Islamic society, standing as a fortress in front of its enemies.

For the Hanbali sect and most Shafaay adherents the ownership moves to Allah, so it is not owned by the person who devotes the *waqf*. This is in reference to the saying "keep the asset and dedicate the fruits to charitable ends," meaning that the asset is a lien which can not be sold or endowed.

The *waqf* is divided into:

1. *Charitable waqf*: endowments paid with the aim of all forms of charity.
2. *Family waqf*: the family descendants deserve a part of the income together with a charity association.

The *waqf* can be divided according to its movability a real estate or portables. Jurisprudents disagreed on what wealth can be under *waqf*, but most of them agreed on the liability of *waqf* on portables and real estate. The Prophet says, "As for

Khaled you are unjust to him. liens his shield and weapons for (fighting for) the cause of Allah."[39]

Ibn Qodamah (died 620A.H.) said: "What is possible to be a *waqf* is what can be sold, be used while keeping it, and is an asset that can continue to exist like the real estate, weapons, furniture, etc."[40]

Like every aspect of the Islamic life, the *waqf* is open to a contemporary independent reasoning (*ijtihad*) to keep up with the modern forms of economic and social institutions. We are completely with this approach, but we should be careful about the problem encountered in all aspects of renovation. There is a tendency to repeat obstacles of the past and imitate the drawback of modernity, which in turn will cause the *waqf* to miss its meaning or transgress its bounds or to be overestimated. For instance, if we try to apply the contemporary system of reciprocal insurance, we have a firm for social care whose drawbacks are at first unclear until its capital is enlarged and starts to seek profit, while its services are restricted to its subscribers. In modern social institutions, despite their effectiveness, facilities and huge donations, capitals flow in monetary forms or loan tools, which make their money vulnerable to loss through stock exchange speculations or embezzlement.

Let us look at the regulations set by our jurisprudents who considered the *waqf* as an asset existing for service not for investment. Some made it a reasonable condition for the one who will pay the *waqf* as a divine rule,[41] while donations with *waqf* are transmitted through generations to realize a state of linkage among people. In order to change it from an individual form to an institutional one, it will be different to some extent from modern institutions which make expenditure away from the donors' desires, weakening the impetus of the *waqf* donation, because the link is missing between the aim of the *waqf* and the payer of *waqf*. Taking this into account, we

must be cautious about evaluating the forms of modern institutions used sometimes as the goals of the state developments plan to combat unemployment.[42]

Structural problems, such as unemployment, are handled by Islam through allocating for it certain resources, as development and employment are a collective obligation. It is lawful that from the money of *zakat* an instrument is granted to help practice a certain craft. If *zakat* is not enough the government obligates the rich to employ workers and support them from their wealth. The *waqf* will be shouldering more than it can endure if we use it to solve structural problems and the private purpose of those who devoted the *waqf* will fade away.

There is a proposal to convert real estates into investments by buying company shares which undertake lawful activities. The income of these shares will be allotted to beneficiaries who obtain the profits distributed on these shares. The shares are held unless other kind of shares are bought, so the *waqf* administration will be like the administration of mutual investment funds.[43]

This means the clearance of *waqf* for the failure of satisfying the requests of the *waqf* owners and confiscating the diverse purposes of *waqf*. Likewise, the *waqf* will be abolished without any legal intervention.

Since there are multiple numbers of *waqf* owners bearing different purposes qualitatively and quantitatively, the proposal to convert *waqf* to an institutional model of a corporation will halt the operation of a big sector of *waqf* resources. Islam allowed other kinds of donations which are more compatible with modern forms such as voluntary charity and will, so the *waqf* can continue its purposes and activities.

Because the assets can not be liquidated to money or securities to be sold in the stock market, the jurisprudents set exchange conditions to sell a *waqf* applicable only in case of

damage or depletion. The price should be just without fraud for the exchange and should be executed with the presence of a trusted person. The buyer should be just and pious, as the exchange takes place by assets not money, in order for the *waqf* administrators not to eat it up.[44]

If the aim is to maintain the *waqf* asset in order to continue its mission, wide channels of partnership and rents in the Islamic jurisprudence will realize the achievement of the *waqf* purposes.[45]

B- Religious Expiation

Allah says:

﴿لا يؤاخذاكم الله باللغو في أيمانكم ولكن يؤاخذكم بما عقدتم الأيمان فكفارته إطعام عشرة مساكين من أوسط ما تطعمون أهليكم أو كسوتهم أو تحرير رقبة فمن لم يجد فصيام ثلاثة أيام ذلك كفارة أيمانكم إذا حلفتم واحفظوا أيمانكم كذلك يبين الله لكم آياته لعلكم تشكرون﴾

﴿Allah will not call you to account for what is futile in your oaths but He will call you to account for your deliberate oaths. For expiation, feed ten indigent persons on a scale of the average for the food of your families, or cloth them or give a slave his freedom. If that is beyond your means, fast for three days. That is the expiation for the oaths ye have sworn, but keep to your oaths. Thus doth Allah make clear to you His signs that ye may be grateful.﴾[46]

Prophet Muhammad said: "Who swore an oath and find something better (than what he has sworn) so let him go to what is better and execute the expiation for his oath."[47]

Linguistically: expiation means covering up, as if to cover up the sin with the expiation.[48]
Terminologically: it is a religiously estimated penalty for a forbidden deed or not doing some duties. The oath expiation is a religiously estimated penalty for the violation of an oath.

There is a disagreement about some expiations. Are they restraints cause of the hardship felt when spending money, or are they counterbalances, since they are rituals which are only valid with intentions. Also, approaching Allah is not a restraint, being contrary to stipulated punishments which are verily not approachable to Allah. They seem to be counterbalances because they are rituals and approaching is invalid without intention.[49]

In the Islamic jurisprudence, there are four expiations, all contribute to supporting the needy, except for the expiation of killing by mistake.

1. The expiation of *al-zihar,* swearing the assimilation (of wife to mother).
2. The expiation of killing.
3. The expiation of sexual intercourse or deliberate eating during a day in Ramadan.
4. The expiation of oath.

In the verse mentioned above, the oath expiation is performed by one of the presented choices. It is consented that if one chooses to feed indigent persons, the food should be equal to 675gm of cereals. The Hanafi sect, however, amounts it to be equal to 2751gm, as they think it is possible to pay the value of feeding and not to feed other than the indigents since it is a divine ordinance.

Al-zihar is to swear that the wife be forbidden like the mother. Allah says:

﴿والذين يظاهرون من نسائهم ثم يعودون لما قالوا فتحرير رقبة من قبل أن يتماسا ذلكم توعظون به والله بما تعملون خبير * فمن لم يجد فصيام شهرين متتابعين من قبل أن يتماسا فمن لم يستطع فإطعام ستين مسكينا﴾

﴿Those who put away your wives (by saying they are as their mothers) and afterward would go back on that which they have said, (the penalty) in that case (is) freeing of a slave before they touch one another. Unto this ye are exhorted; and Allah is Informed of what ye do.* And he who findeth not (the wherewithal), let him fast two successive months before they touch one another; and for him who is unable to do so (the penance is) the feeding of sixty indigent ones.﴾[50]

Here, according to Al-Kasani (died 587A.H.), the expiation is to feed sixty indigent persons in a day; for Hanafi it is lunch and dinner. This expiation is obligatory according to rank order, i.e. first to set a slave free, if not to fast , if not to feed.[51]

With the consensus of jurisprudents, expiation is lawful in case of sexual intercourse, and deliberate eating and drinking during a day in Ramadan for Hanafi and Maliki sects. A man went to the Prophet saying: "I am lost" The Prophet answered: "What made you lost?" He said: "I have made love with my wife during Ramadan." He told him: "Set a slave free." He said: "I do not have (a slave). He said: "Fast two successive months." He said: "I can not." He said "Feed sixty needy persons." He said: "I do not have." [52]

This expiation is like that of *al-zihar* concerning the rank-order. Feeding is equal to 675gm. wheat or 2751gm. barley or dates for sixty indigent persons for the majority views, but Hanafi thinks that to feed one person for sixty days is enough.[53]

C- Voluntary Charity

Allah says:

﴿لا خير فى كثير من نجواهم إلا من أمر بصدقة أو معروف أو إصلاح بين الناس﴾

﴿There is no good in much of their secret talks but (it is permissible) if one enjoineth almsgiving or kindness or conciliation between men.﴾[54]

The Prophet says: "The charity to other than blood relatives is a charity, and to blood relatives it is two things, a charity and a link."[55]

Linguistically: *Al-sadaqa* comes from the root *sidk* meaning truth opposite to lie. It is used to mean the alms or charity given to the needy people.[56]

Terminologically: *Al-sadaqa* is used to mean alms in general whether devoted or *zakat* to spend on needy people. If it is mentioned with *zakat* then alms *(sadaqa)* means voluntary charity.

Alms are permissible to be paid when the person has more than his subsistence and that of whom he is responsible to support. If he pays charity at the expense of whom he is obliged to support, he commits a sin.[57] This is based on the Prophet's saying: "The best charity is that which comes from a rich... so start with those whom you support."[58]

The minimum amount of alms is *zakat* which is paid annually on *nissab* (property liable to payment of *zakat*). Afterwards, any charitable payment is an approaching to Allah. Still there is a maximum amount for alms. Cited by the Companion Saad Ibn Abi Wakkas, "In the year of the farewell pilgrimage Prophet Muhammad visited me while I was almost dying of illness. I told him: 'O Messenger of Allah I am so ill,

and I am wealthy while no one will inherit me but a daughter, can I pay charity with two-third of my wealth?' He answered: 'No', I said: 'The half', then he said: 'One-third and one-third is a lot; if you leave your inheritors rich is better than leaving them (begging) dependent on people. If you spend any amount of money seeking Allah's pleasure, you will be rewarded for it, even if you spend it on your wife."[59]

Ibn Al-Qaim points out: "This *hadith* informs us that man should keep wealth for himself. He should not get rid of his property all at once, save him from the affliction of poverty and exposing himself to self-conflict that he dispensed with what was in his hand, feeling sorry about it. In this situation, his wealth will be lost as well as the reward (which he has taken when sacrificing with his wealth) and thus becoming a burden on people...it is true that Abu Bakr Al-Sidik spent all his wealth, but (in his case) his true intention is well-known as well as his strong adherence, so it was not feared that he will suffer any affliction."[60]

The following *hadith* sets forth the optimum boundaries between consumption, investment and almsgiving. "A man in a barren land heard a sound from a cloud saying 'water the garden of someone (a name was mentioned), the clouds rejected and poured their water on sandy land one of the streams sucked all the water. The man followed the running water until he found another man standing in a garden transferring the running water to his garden. He (the first) asked him: 'what is your name?' It was the name mentioned to the cloud. He said: 'Why do you ask me about my name? The man answered: 'I have heard it mentioned to the clouds which poured this water, so what do you do? He said: "I look at the produce (of the garden), one-third of its value I pay charity, another one-third I keep to feed my family, and one-third I spend on its expenses (garden)."[61]

Contrary to *zakat*, it is preferable to pay the voluntary charity secretly, as the Prophet says, "A man paid a charity. Then, he concealed it so as his left (hand) will not know what his right (hand) spends."[62] It is favorable to increase almsgiving during needs.
Allah says:

﴿Or to feed in a day of hunger﴾[63] ﴿أو إطعام فى يوم ذى مسبغة﴾

It is ordained to give alms immediately after every sin.[64] It is also recommended not to abstain from charity because of financial incapability, since the Prophet says, "Fear hell even with a piece of dried dates."[65] As mentioned before the relatives should be given the priority in charity.

The charity or alms should be of good nature due to the Quranic verse:

﴿يا أيها الذين آمنوا أنفقوا من طيبات ما كسبتم ومما أخرجنا لكم من الأرض ولاتيمموا الخبيث منه تنفقون﴾

﴿O ye who believe! spend of the good things which ye have earned, and of that which we bring forth from the earth for you, and seek not the bad (with intent) to spend thereof (in charity)﴾[66]

Furthermore, alms should be free of reproachful reminding and injury, in reference to Allah's saying:

﴿ياأيها الذين آمنوا لاتبطلوا صدقاتكم بالمن والأذى﴾

﴿O ye who believe! render not vain your almsgiving by reproachful reminding and injury.﴾[67]

D-The Will

Allah says:

﴿ولكم نصف ما ترك أزواجكم إن لم يكن لهن ولد فإن كان لهن ولد فلكم الربع مما تركن من بعد وصية يوصين بها أو دين﴾

﴾In what your wives leave, your share is half, if they leave no child; But if they leave a child, ye get a fourth ; after any legacy they may have bequeathed or debts.﴿[68]

Linguistically: The will (*al-wasiya*) is to bequeath so as to link what was in the life of a dead person after his death.
Terminologically: It is a special pledge to be executed after death.

There are many times when a man feels driven toward doing good and benevolence in manifestations. He might want to express his gratitude to certain people who were helpful and kind to him throughout his life, while they are not among his inheritors. He might feel like constructing a religious institution where the word of Allah is hoisted, or a hospital for speeding up the treatment of patients, or a school to combat illiteracy. All these can be just hopes and dreams enkindled in the self but are usually accompanied by a fear that he might live a longer life so he might need what he wants to spend in charity. Then the eagerness to realize his aspirations gradually weakens. In order to make his dream come true as well as to secure his future, the will was ordained to include the two purposes: his worldly purpose can be achieved if he lives longer as he may need his money, so he will be having the right to change his mind in his will. At the same time, if he is not in need of the money and died without changing his will so his charitable purpose will be realized after his death, add-

ing to his good deeds. Nothing but the will can achieve the two purposes.[70]

According to a consensus, the will is recommended and not obligated. In Bokhary, Ibn Abbas said: "Wealth was provided to children and the will for parents. Then Allah repealed what He likes by giving each parent the sixth." Those who believed that the will is obligatory stated that what was repealed is bequeathing the will to parents and relatives who will inherit, but those who will not inherit are not mentioned neither in the verse nor in Ibn Abbas' explanation and their right is not repealed. [71]

Al-Shoukani (died 1250A.H.) noted that a common consent fixed that the will is liable to not more than one-third of the wealth, but there has been a disagreement to the person who has not a private inheritor. Still the majority prevented the will to more than the third while an increase was permitted by Abi Hanifa, Issac, Shourik and Ahmed relying on the narration of Ali and Ibn Massoud. They think that as the will is absolute in the Quranic verse, it was confined by the *sunna* for those who have inheritors, but for those who have no inheritors the will is absolute.[72]

III
The Solidarity of The State

The Islamic law makes the obligation of *zakat* a right for the poor and needy, so as to set every Muslim free from the enslavement of fear and hunger. The *zakat* is based on the fact that man has created nothing but he adds to the utilities of things. Here it is a must to give the right of the poor and needy for the cause of Allah, realizing the security and subsistence of every individual in society.

While human mind will continue to be short of full comprehension, sound legislation and execution, Islam stands high to teach us, after centuries of experimentation of human suffering and anguish, about a free society without compulsions, just without a poor or needy, and without a monopolist or usurer. Under the divine light, Abu Bakr launched a battle against those who abstained from paying *zakat*, so as to secure the right of the people not to be in need. History recorded pages which amaze today's dwarfs

Abu Huriarah tells us according to a group of narrations: "When Prophet Muhammad died and Abu Bakr ruled (after him) many of the Arabs disbelieved. Omar told Abu Bakr: 'How are you fighting people on whom The Messenger of Allah said, 'I am ordered to fight people until they say no God but Allah, so who will say it I will refrain from his self and wealth unless with his right and he will be judged by Allah.' Abu Bakr replied: 'For Allah! I will kill those who differentiated between prayer and *zakat*, as *zakat* is the wealth right, and for Allah if they prevent me (by a she-kid) and they used to pay it to the Messenger of Allah, I will kill them because they restrained from (paying) it.' (It seems that) Allah inspired Abu Bakr to fight; then I knew that it is truth."[73]

Channels of *Zakat*

Allah directed us to those who deserve the *zakat* in the following verse:

﴿إنما الصدقات للفقراء والمساكين والعاملين عليها والمؤلفة قلوبهم وفى الرقاب والغارمين وفى سبيل الله وابن السبيل فريضة من الله والله عليم حكيم﴾

﴾Alms are for the poor and the needy, and those employed to administer the (funds), and those whose hearts have been (recently) reconciled (to truth), and for those in bondage and

in debt, and in the cause of Allah, and for the wayfarers. A duty ordained by Allah. Allah is full of knowledge and wisdom)[74]

There is an independent budget for *zakat* to ensure its distribution in the right tracks. Setting basis for distribution secures funds to reach those who deserve them as well as avoid misuse, as Prophet Muhammad says: "I am a divider. I give according to what I am commanded."[75]

Moreover, *zakat* should be distributed locally first, i.e. the people of every country have the right more than others to the *zakat* of their country. *Zakat* from Al-Rai was conveyed to Kufa, so Omar Ibn Abdel Aziz send it back to Al-Rai.[76] This is another proof for right use, developing localities and getting rid of problems of overpopulated cities as a result of the centralization of income and expenditure.

Zakat has the following functional divisions:

1. *Social Expenditures*: Assistance is provided to the poor, needy, and those unemployed so as to realize a subsistent standard of living. It includes the services of orphanages. Also, *zakat* goes to the wayfarer who is a stranger who left his home without committing a sin and is in need of money. Al-Nawawi said: "The wayfarer should be given the expenses and clothing which will support him until he reaches his destination or place of his wealth, if he is going to it. If he does not have enough money, he should be given the money that will realize his subsistence."[77] In addition, those who collect money should be given in order to ward off sedition in the society.
2. *Economic Expenditures*: They share in paying the debts of the debtors and supplying the physically able person with a means for work. "If the adversary and the slave, who has a contract of manumission, can pay a portion of the due amount so the remaining sum is paid to them and if they

are incapable of payment, then the whole sum is paid to them. The poor and the needy should be supported to satisfy their needs. This rule differs from one person to another and from one locality to another. For instance, the craftsman who has no money to carry out his craft, should be given the value of the tools that he needs whether expensive or not. Similarly, the merchant can be given the capital to buy what will improve his trade in order to profit and support himself."[78]

3. *Political Expenditures*: They are spent to abolish slavery whether releasing slaves or assisting enslaved people or countries. Also, they are given to those who have recently entered Islam so as to attract them toward Islam and ward off their harm. Furthermore, for the cause of Allah, they are spent on recruitment and training of volunteers to defend Islam and the weak.
4. *Administrative Expenditures*: Salaries given to those in service of *zakat*. Rents and maintenance of the public treasury buildings, means of transportation, etc.

Al-Zamakhshari (died 538A.H.) noted that the majority views assert that it is not necessary to fill up all channels of *zakat*. The Imam should see which channel is socially the most important. Ibn Hanbal said: "The first four should have *zakat* paid to them so they take what they should own. The other four do not own what they are given (so it is not obligatory to pay them in cash)."[79]

Zakat is not given to a rich person who has his subsistence, or to a physically fit person who has a chance to work. The Prophet says: "Alms are not lawful for a rich nor a fit person."[80] Also, *zakat* is not given to a person who should be supported by his rich relative. The Prophet makes kinship cause for solidarity through inheritance and expenses. He said: "if you leave your inheritors rich is better than leaving them (begging) dependent on people."[81]

Imposition (Taxation)

When the *zakat* is inadequate the ruler assigns contributions from the wealth of the rich what will cover the needs of the poor.

Al-Goweinny (died 478A.H.) says, "In times of drought, famine and crises, prosperity vanishes and high amounts of *zakat* to satisfy needs diminish. Thus, people should be urged with good exhortation to perform what Allah has ordained in a year (opening the door for donations). If they exerted their utmost and still there were poor in need, as the *zakat* did not meet their demands (as well as the donations), the Imam must make their issue the most essential to be considered. The world with all its details is not equal to hurting a poor Muslim.

In our opinion, if what we mentioned occurred, i.e. a severe crisis exposing people to death, affliction of the poor, the rich must keep for themselves what is equal the expenses of a year and to spend the remainder in fulfilling the demands of the needy.

According to religious legislation *zakat* is related to the completion of a year. The Prophet used to supply his wives, if possible the expenses of a year."[82]

It is expected that after the termination of the year everything will change, since it is the time-span of crop production and harvesting. Situations alter and seasons go on.[83]

The jurisprudent Al-Ramly (died 1004A.H.) says: "Poor Muslims and non-Muslims subjects at home (*Ahl Al-Thimma*) should be protected by the rich who have what exceeds their subsistent expenses of a year. They should provide a clothing and feed the hungry. Harm might not be combated by *zakat* or contributions in the public treasury, cause of being empty or of the abstention of those administer it even by injustice. Even vows, expiation, *waqf* and wills which protect the souls (might not be satisfactory). Thus, when a wealthy was asked (for as-

sistance) to abolish a harm, impossible for him to refuse, claiming the existence of another rich, a matter leading to passivity. Is the aim of abolishing harm to just give whatever amount (just to live) or ensure a subsistence standard (by satisfying all needs)? surely the second view is what is targeted, as bodies must be covered with clothes according to the season (summer or winter). Beside clothing and feeding, the expenses of a doctor, medicine, and servant must be covered... Thus the harm will be abolished from the Muslims as well as non-Muslims.. to develop the whole country, supporting and protecting its residents. Support comes first from the public treasury then the rich. If more than that the ruler assigns from the wealth of whoever he sees capable."[84]

When *Zakat* Fills Up Its Channels

History certifies that in normal times *zakat* can cover up needs if an Islamic economic system is fully applied.

Abu Obied tells us that Omar Ibn Abdel Aziz sent to Abdel Hamid Ibn Abdel Rahman in Iraq telling him to 'distribute alms to people'. Abdel Hamid answered him 'I have given people alms and still money remains in the public treasury.' He sent him 'Find out who is in debt without prodigality nor extravagance and pay him.' He send him: 'I have paid them and still money remains in the public treasury.' He sent him: 'Find out a single who wants to marry and has no money so pay him and let him marry.' He sent him: 'I made all the single I found marry and still money remains in the public treasury.' Finally, he send him, 'Find out who has to pay a poll tax while he is incapable of taking care of his land, so lend him an amount which strengthens him to work in his land, as we do not want it (money) for a year or two.'[85]

Zakat Is A State Function

Al-Nawawi says: "The Imam must send his agents to collect alms, because the Prophet and Caliphs succeeding him used to send agents, since there are among people those who have wealth but do not know what are their duties, and those who are misers, so there must be someone to collect (alms)."[86]

Accordingly, those employed to administer the *zakat* funds share in *zakat*. Ibn Hajar Al-Asklany indicates: 'The Imam is responsible to receive and spend the funds of *zakat* either by himself or through his representatives. If someone refrains from paying, it is taken from him by force."[87]

The state has its scholars (casuists) who are capable of casuistry, social workers who know the place of the needy, and staff who can detect those rich evading from payment and to force them to pay. Furthermore, nobody but the state can satisfy the *zakat* channel of 'whose hearts have been (recently) reconciled (to truth)'. The state alone can fight those who refrained from paying; it is so important that attention is paid to the feelings of the needy who prefer to have the state as a supporter (not a certain person).

Zakat, as a basis for the Islamic financial system, achieves justice in taking and abundance in giving. It is noticeable under the Western systems that the rich do all means to evade from paying taxes, thus leaving those with limited-income to shoulder the burden of tax payments. Also, the rich can indirectly transfer the incidence of taxation, a matter can not be done by the limited-income. Therefore, the wealthy enjoy the services provided by the government which in many times are not available to the poor. As a result, a big quantity of taxes is paid by the poor and is benefited by the rich.

Looking at the marvels of *zakat*, we find it given in the right time, right amount, with a right *nissab*, distributed into the right channels and ordained unto the right people. Allah

bestowed us this gift by in which the interests of both the rich and poor are considered. It is a purification for the person and his wealth.

- It is obligatory on the rich alone.
- It is paid for four kinds of wealth which are most circulated and required:

    1-Cultivated land crops.
    2-Grazing livestock -camels, cows and sheep.
    3-The precious metals on which the international finance stands - Gold and Silver.
    4-Trade wealth in all its forms.

- It is ordained every year, and in case of crops when they ripen. This is really fair. If it was to be paid every month or week, it would injure the wealthy, whereas if it was ordained once in life, it would injure the needy. Thus, every year is a rightful situation.
- Obligations in estimating the value of *zakat* differed according to the effort exerted to accumulate wealth.

    -When a person finds by accident a treasure, it is obligatory to pay 20% *zakat* immediately without waiting for a year to pass.
    -It is obligatory to pay 10% annually on the minimum amount accumulated by exerting effort and spending expenses, e.g. in cultivation which needs supervision to plow and sow, and Allah sends the water without costing man buying water or searching for a well.
    -It is obligatory to pay 5% annually on the harvest after exerting effort in cultivation, irrigation and accumulation.
    -It is obligatory to pay 2.5% only on wealth which its accumulation depends on continuous work by the owner like doing the work, administration and supervision. The exerted effort and expenses is much more than costs of cultivation.

- The *nissab,* which is the minimum amount of wealth liable to *zakat,* is estimated in a way so as the rich will not be injured in his wealth.[88]

Furthermore, *zakat* is paid on the net amount of wealth, i.e. any debts are canceled from a trade profit as well as the fixed capital which is exempted from *zakat*. Hence, it is different from income taxes on wages and profits, property taxes on real estate and lands, or legacies tax. Therefore, *zakat* is assigned to the rich whose net amount of wealth exceeded *nissab*, a surplus equal to the market value of 85 gm of gold, after satisfying his needs. It must go to the poor to insure just distribution and that the aid reaches those who deserve it.

Misgrave stated that most capitals in the past were cattle so it was easy to take taxes on them. Today, however, while most of the taxes are taken in cash and not in kind on income, it is hard to conceptualize this activity with modern thinking. But taxes on the net value of wealth, after deductions, can be easier and fair in income distribution. He assumed that there are real national taxes on all capital assets, as a 5% tax on the capital value that can be conveyed to a tax on the output income of capital asset. For instance, if there is an asset amounting $1000 with a yearly return $100 (10%), so a 5% tax on net worth will be equal to $50, i.e. 50% of income.[89]

If we try to apply this equation to Egypt on two sources for *zakat*, we will find the following:

1. If the 2.5% *zakat* are taken on deposits in banks which exceeded L.E.100 billion, according to 1993 Central Bank statistics, they will reach L.E. 2.5 billion, assuming that what is deposited in banks exceeds *nissab*. Also, non-Muslims will pay for social care a similar tax under another name, to let the umbrella of *zakat* cover all citizens in a general system.[90]
2. Agriculture constitutes 30% of the national product. It is known that agriculture *zakat* is equal to 5% on crop.

Therefore, it is estimated to be L.E.1.5 billion, as the national product[91] is L.E.114 billion.. No taxes are taken on crops except for few horticultural crops.

It should be noted that these two channels, which are not conflicting with the tax system, are tailored by any tax system in Egypt. There is a huge section of the economy which evades from tax paying , and another transfers money abroad. It is expected that these two sections might pay *zakat* for being a divine ordinance rather than a governmental compulsion.

In Egypt, in the same year the balance sheet allots about LE.10 billion for social care, subsidies for goods, education and health, while we know the problems encountering education, hospitals and subsidies which eventually led to the poor's sufferings.

According to local and international statistics the number of poor in Egypt is estimated to be at least 30%, i.e. literally they obtain about L.E.3.5 billion, while the remaining amount of subsidies go to the rich. Such subsidies stand as a burden on the deficit budget. As seen before, *zakat* can supply an amount not less than 4 billion.

Collecting *zakat* can benefit the government from two aspects:

1. Collect a determined income from the rich to be definitely given to the poor with a value exceeding what is assigned by the state, which might not even reach the poor. Therefore, better care can be realized to the poor as well as a good income distribution.
2. The state can collect fees from the rich for providing them services like education and health. The fees can be equal to the costs of services.

This will save the state L.E. 10 billion in the balance sheet in addition to increasing its input with the fees collected from the rich. This benevolent platform for sympathy and social care emanates a sense of mercy and stability in society.

The Effectiveness of *Zakat*

Zakat is better than taxes in the following respects:

1- Avoiding the evasion from payment, the *zakat* is better than taxes because:

a) The administrative measures of estimating and calculating the *zakat* value and evasion penalty are not different from those followed in tax systems. Prophet Muhammad says: "For every camel, there is a livestock in every forty fed youngsters. Every camel should be counted, so who will give it away for a reward will be rewarded, but if he abstains, we will take it and a portion of his wealth. This is one of Our God's resolutions from which nothing is allowed for Muhammad's Family."[92]

b) However, *zakat* is more favorable than tax because it is accompanied with a fear of Allah which makes it more abundant.

c) *Zakat* is taken on the net wealth which can be more easily and accurately estimated than incomes, as today wealth in cash is most probably deposited in banks, it is no longer concealed. Incomes, however, can undergo various fraud methods such as through accountancy to hide their real values.

d) If the function of *zakat* is precisely understood, we will find out that it is like the tax department in recruiting those who work in its service and like the Ministry of Social Affairs in determining its payment channels.

2-Concerning fairness:

a) *Zakat*'s channels, *nissab* and percentage are unchangeable since they are according to Quran and *Sunna*. Thus, this state gives the feeling of stability in religious duties and does not confuse financiers.

b) It pours in determined channels which, in turn, is refrained from abuse or exploitation through other ways. For example, some people do a mistaken when they open up the concept or channel of 'for the cause of Allah' to include other than what is consented, i.e. arms recruitment or supplying a pilgrim.

c) It is local. The poor of every country have a prime right to receive its *zakat*, even if there is only one person until the distributor finishes all the sum. When the Governor asked (his agent) Omran Ibn Hussien: 'where is the money?' He answered: 'Is it money for which you sent me? We took it from whom we used to take at the Prophet's time and we give it to whom we used to give at the Prophet's time.'"[93]

Under these conditions, society will be relieved from the centralization of taxes which are paid on those residing close to authority. In the latter circumstances, cities enlarge to be overcrowded leading to more problems, while the localities get poorer and underdeveloped, pushing people to emigrate to cities. Development by *zakat* system must start primarily with localities.

3- Concerning outcome:

a) Separating the *zakat* budget from that of the government will put an end to the problems of non-segregation between rich and poor. Hence, resource allocation is abused and the national accounts are becoming more complicated. Separation ensures that assistance reaches those who deserve it, as the rich have no right to have it.

b) The *zakat* method, taking from the rich and giving to the poor, will surely lead to just income distribu-

> tion, as contrary to what happens in the West. As a result, political stability, economic growth and social solidarity are accomplished.

Nowadays, poverty is a real calamity which should not be overlooked. Many wealthy people know nothing about *zakat*, as its application is the best remedy to let the poor have their right. There is no reason for waiting. All these regulations make the *zakat* system secured from any negligence and deviation; it can be applied under any moral standards and to any degree of piousness characterizing the rulers.

As we mentioned previously, the *zakat* system gives no room for anybody to abuse its purposes. Again, it must not be postponed under any situation, while people are further ensnared by poverty; this marks the decadence of morality and distortion of civilization, matters repudiated by religion.

Thus, it is observable that *zakat* is opposite to tax. It realizes justice in taking and kindness in giving.

Prophet Muhammad says:

> "He is not a believer who feels satisfied and his adjacent neighbor is hungry."[94]

Allah says:

﴿إن الله يأمر بالعدل والإحسان وإيتاء ذى القربى وينهى عن الفحشاء والمنكر والبغى يعظكم لعلكم تذكرون﴾

﴿Allah enjoineth justice and kindness, and giving to kinsfolk, and forbiddeth lewdness and abomination and wickedness. He exhorteth you in order that ye may take heed﴾[95]

وآخر دعوانا أن الحمد لله رب العالمين

Our conclusive prayer is thanks to Allah
The God of Worlds.

NOTES

1. Al-Albani, *Sahih Al-Gamiaa Al-Saghir Lil Souyouty*. Vol.2 Al-Maktab Al-Islamy, 1406A.H., p.949.
2. Ibn Hazm, *Al-Mahely* (The Local), Vol.6 Al-Maktab Al-Togary, p. 228.
3. Abu Youssef, *Al-Kharaj* (Land Tax). Dar Al-Maaefra,1397A.H., pp. 26-27.
4. *Ibid*., p.17.
5. Abdel Nowira, *Islam and Social Service*. Dar Al-Nahda, 1965, p.36.
6. Tawfik Taweel, *Al-Falsafa Al-Akhlakia: Nashaatha wa Tataworeha* (Moral Philosophy: Its Establishment and Evolution). Dar Al-Nahda Al-Arabiaa, 1967. Second edition, p.231.
7. *Al-Shark Al-Awsat*. Feb.1,1994.
8. *Al-Ahram Daily*. Aug.7,1992.
9. *Al-Ahram Daily*. Oct. 17, 1992.
10. Harvey S. Rosen, *Public Finance*. Irwin Inc., 1985, pp.322-324.
11. R.M. Misgrave and P.B. Misgrave, *Public Finance, Theory and Practice*. Battler & Tanner, 1985, p.711-712.
12. To review this theory see Amitai Etzioni, *The Spirit of Community and A Responsive Society*. Jossey-Press Publishers; 1991, p.427; also R.M. Kato, "We", *Mother Jones*, May-June, p. 26; Samuel Walker, a University of Nebraska professor whose critique of communitarianism will be published by Oxford University Press.
13. For illustrations see *Al-Zakat Wa Tarsheed Al-Taameen Al-Moaaser* (*Zakat* and Rationalizing Contemporary Insurance). Dar Al-Wafaa; 1st ed., 1986, & *Al-Islam Wa Al-Mathaheb Al-Iktissadia Al-Moasara* (Islam and Contemporary Economic Schools). Dar Al-Wafaa; 2nd ed.,1990.

14. Surat Al-Ma'ida (The Table Spread) verses 15-16.
15. Sur Al-Nour (Light) verse 33.
16. Al-Albani, *Sahih Al-Gamiaa Al-Saghir*, *op.cit.,* Vol.1, p.310.
17. _______, *Sahih Sonan Al-Nissaai*, Vol.2, p.537.
18. _______, *Sahih Al-Gamiaa Al-Saghir*, *op.cit.*, Vol.2, p.1058.
19. *Ibid.*, Vol.1, p.516.
20. Surat Al-Hashr (Exile) verse 10.
21. *Sahih Muslim*. Vol.1 Al-Halabi, p.400.
22. Cited by Abu Dawood, Al-Nissaai and Al-Hakim, in Al-Albani, *Mishkat Al-Masabih Lil Tabrizy* (The Lamp of Lantern by Tabrizy). Vol.1 Al-Maktab Al-Islamy, 1405A.H., p.60.
23. Surat Al-Isra'a (The Sons of Israel) verse 29.
24. Al-Albani, *Mishkat, ibid.,* Vol.7, p.605; *Muslim*, *ibid.*, Vol.3, p.94.
25. Surat Al-Nahl (Bees) verse 90.
26. Surat Al-Nissaa (Women) verse 36.
27. Muslim, *ibid.*, p. 406.
28. *Sahih Al-Bokhary*. Vol.4 Dar Al-Shaab, p.49; *Muslim*, *op.cit.,* Vol.2, p.422.
29. Al-Albani, *Mishkat, op.cit.,* Vol.1, p.406.
30. Ibn Abdeen, *Rad Al-Mihtar*.Vol.2 Dar Al-Kotob Al-Ilmiya, 1994, pp.44-53.
31. Al-Shoukani, *Nil Al-Awtar* (Desires Fulfillment). Vol.4 Dar Al-Fikr, 1973, p.248.
32. Abu Obied, *Al-Amwal* (Money). Al-Maktabat Al-Togaraia Al-Kobra, 1353A.H., p.548.
33. Abu Zahra, *Tanzim Al-Islam Lil Mogtamaa* (Islam's Organization of Society). Dar Al-Fikr Al-Araby, 1385A.H., pp. 146-151.
34. Al-Kasani, *Al-Badai' Al-Sanai'a*. Vol.4 Dar Al-Kotob Al-Ilmiya, 1986, p.238.

35. Al-Albani, *Sonan Al-Nissaai*, *op.cit.,* Vol.2, p. 779.
36. *Ibid.*, p.463.
37. Ibn Manzor, *Lisan Al-Arab* (A Dictionary), under the word *waqf.* Dar Sader.
38. Muhammad Abdel Rahaman Al-Hattab, *Mawaheb Al-Galil*. Vol.4 Matbaat Al-Sa'ada, 1329A.H., p.162.
39. *Muslim*, *op.cit.,* Vol.1, p.392.
40. Ibn Qodama, *Al-Maghna*. Vol.6 Maktabat Al-Gomhouria Al-Arabia, p.392.
41. Ibn Abdeen, *op.cit.,* Vol.2, p.416.
42. Anas Al-Zarqa, *Al-Wasael Al-Haditha Lil Tamwil Wa Al-Istethmar* (Modern Means of Funding and Investment). The Islamic Bank of Development, Training Institute, p.301.
43. *Ibid.*, p.187.
44. Ibn Abdeen, *ibid.*,Vol.3, p.387; Wahba Al-Zahily, *Al-Fiqh Al-Islamy Wa Adilateh* (Islamic Jurisprudence and Its Proofs). Vol.8, p.222.
45. Nazih Hamada, *Asalib Astethmar Al-Awkaf Wa Osos Idarateha* (Methods of Investing Waqf and Basis of Its Management). A Seminar held by Ministry of Awqaf, Kuwait, May 1992, pp. 16-20.
46. Surat Al-Mai'da (The Spread Table) verse 89.
47. Al-Albani, *Sahih Al-Gamiaa Al-Saghir*, *op.cit.,* Vol.2, p.1066.
48. *Lisan Al-Arab* (A Dictionary), under the word *kafr.*
49. Al-Zahily, *op.cit.,* Vol.6, p.179.
50. Surat Al-Mujadila (She That Disputeth) verses 3 and 4.
51. Al-Kasani, *op.cit.*, Vol.2, p.235.
52. *Sahih Sonan Ibn Maja*. Vol.1 Al-Maktab Al-Islamy, 1407A.H., p.279.
53. Al-Shoukani, *op.cit.*, Vol.4, p.294; *Rad Al-Mihtar*, *op.cit.*, Vol.2, p.583.
54. Surat Al-Nissaa (Women) verse 114.

55. Al-Albani, *Mishkat, op.cit.,* Vol.6, p. 406.
56. *Mokhtar Al- Sahah* (Dictionary), p.359.
57. Al-Nawawi, *Al-Majmoaa* (The Total). Vol.Al-Maktaba Al-Salafia, p.2253.
58. Al-Albani, *Sahih Al-Gamiaa Al-Saghir*, *op.cit.*,Vol.1, p.622.
59. *Al-Bokhary, op.cit.,* Vol.2, p. 125.
60. Awon Al-Maaboud, *Shareh Sonan Ibn Dawoud.* Vol.5 Al-Maktaba Al-Salafiya; 1388A.H., p. 91.
61. Al-Albani, *Sahih Al-Gamiaa Al-Saghir*, *op.cit.,* Vol.1, p.55.
62. Muslim, *op.cit.,* p.413
63. Surat Al-Balad (City) verse 8.
64. Al-Nawawi, *op.cit.,* Vol.6, p.255.
65. Al-Albani, *Sahih Al-Gamiaa Al-Saghir*, *op.cit.,* Vol.1, p.84.
66. Surat Baqara (Cow) verse 267.
67. Surat Baqara (Cow) verse 264.
68. Surat Nissaa (Women) verse 12.
69. Al-Shoukani, *op.cit.,* Vol.1, p.142.
70. Ahmed Othman, *Manhag Al-Islam Fi Al-Moaamelat Al-Maliya* (Islamic Methodology in Financial Dealings). Dar Al-Teba'a Al-Muhammadia, 1398A.H., p.262.
71. Al-Shoukani, *op.cit.*, Vol.6, p.144.
72. *Ibid.*, Vol.6, p. 150.
73. *Al-Bokhary*, *op.cit.,* Vol.1, p.13.
74. Surat Al-Tawba (Repentance) verse 60.
75. *Al-Bokhary*, *op.cit.,* Vol.4, p.103.
76. Abu Obied, *op.cit.,* p.595.
77. Al-Nawawi, *op.cit.,* Vol. 6, p.215.
78. _______, *Rawdat Al-Talebeen.* Vol.3 Al-Maktab Al-Islamy, 1405A.H., p.324.
79. Al-Zamakhshari, *Al-Kashaf.* Vol.2 Al-Halabi, 1392A.H., p.198.

80. Al-Albani, *Sahih Al-Gamiaa Al-Saghir*, *op.cit.*, Vol.1, p.214.
81. *Al-Bokhary*, *op.cit.*, Vol.2, p.1125.
82. *Al-Bokhary*, *op.cit.*, Vol.7, p.81; Al-Albani, *Sahih Sonan Abi Dawoud*,Vol.2, p.273.
83. Al-Goweinny, *Al-Ghieyathy.* Ashouon Al-Dinnia, Qatar, 1400 A.H., pp.233-237.
84. Al-Ramly, *Nihayat Al-Mehtag Fi Shareh Al-Menhag* (The End of The Needy To Explain The Methodology). Vol.8 Al-Halabi, 1386A.H., pp.49-50.
85. Abu Obied, *op.cit.*, p.251; for further illustrations see Youssef Kamal Mohamed, *Fiqh Al-Iktisad Al-Aam* (Religious Understanding of Public Economy). Dar Al-Qalam, 1410H.
86. Al-Nawawi, *op.cit.*, Vol.2, p.167.
87. Al-Asklani, *Fateh Al-Bary*. Vol.23 Dar Al-Maarefa, p.360.
88. Ibn Al-Qaim Al-Gozia, *Zad Al-Miaad* (The Supply of Appointment). Vol.2 Al-Matbaah Al-Masria, pp.5-7.
89. Misgrave, *op.cit.*, pp. 460-70.
90. The Annual Report of The Egyptian Central Bank 1992/93, pp. 79-184.
91. The state balance sheet for the year 1991-92.
92. Al-Albani, *Sahih Sonan, op.cit.*, Vol.2, p.514.
93. Abu Obied, *ibid.*, pp.595-596.
94. Al-Albani, *Sahih Al-Gamiaa Al-Saghir*, *op.cit.*, Vol.2, p.967.
95. Surat Al-Nahl (Bees) verse 90.

INDEX

INDEX